

RELIANCE

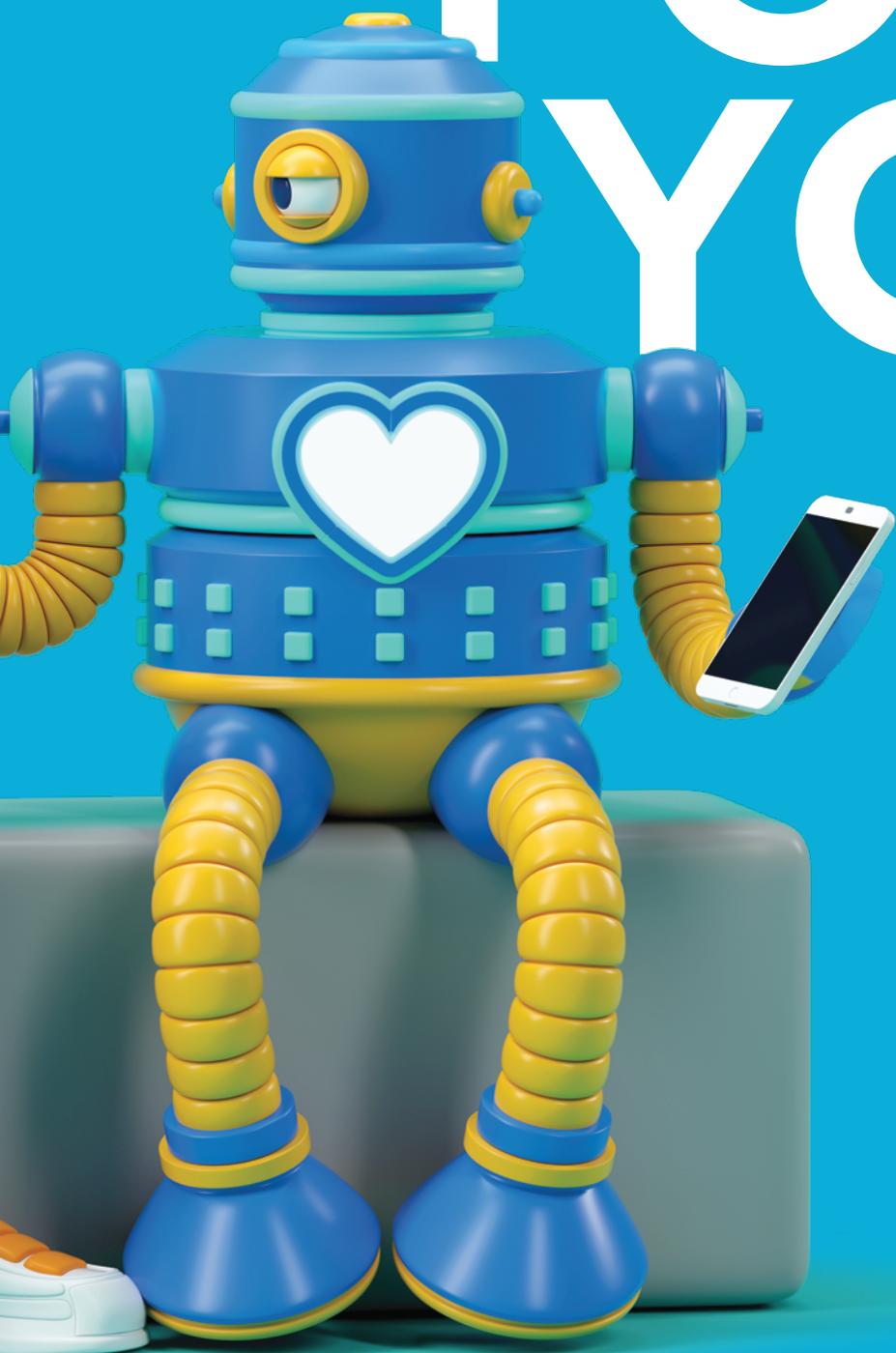
GENERAL  
INSURANCE

Tech+ ❤️ = Live Smart

# WITH YOU



# FOR YOU





MOTOR



HEALTH



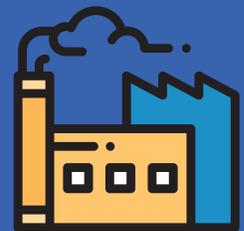
WEATHER & CROP



FIRE



MARINE



COMMERCIAL



LIABILITY



TRAVEL



HOME

## CEO'S MESSAGE



Dear Members,

The late fiscal 2019-20 saw the unprecedented pandemic outbreak that disrupted the economy across sectors and hovers around. However, the pandemic has also acted as a catalyst in inducing consideration and speedy adoption of insurance primarily through the digital medium and created awareness within consumers, businesses, and society at large.

General insurance in India has remained significantly underpenetrated since years but this fiscal was seen being disrupted with regulatory and policy changes; increased digital adoption rate and risk aversion behavior arising out of the pandemic that is ought to leave a long-lasting impact on the industry. Contraction of Real Indian Economy of 7.3% has temporarily improved General Insurance Penetration to 1% mark during FY2020-21. FDI limit in Insurance sector increased from 49% to 74% and recent amendments to the Insurance Act allowing government to bring down their stake below 51% in PSUs, will act as an enabler for Insurers to access a larger pool of capital. This will help improve the industry growth and penetration levels in the economy. Structural reset to the insurance demand due to risk awareness and increased digital adoption post COVID-19 outbreak will further support penetration for comprehensive insurance and risk management solutions. Favorable pricing change for fire segment and introduction of the standard products for Health and Motor segments are also few major developments during the financial year.

During the year, the Company has completed two decades in the industry. In these 20 years, we held strong within the ecosystem across all dimensions. Our proactive investments in digitization, innovation, and customer-centricity helped us to cross Rs. 8,405 crores in Gross Direct Premium for FY2020-21, which accounted to 4.2% of the market share. Combined ratio, a gauge to operating efficiency for the year stood at 113% improving slightly from 114% a year ago, despite all odds from the pandemic. This was also the year where the Company moved to normal tax regime from erstwhile MAT regime while profitability remained in positive quadrant. PBT grew by 8% to Rs. 323 crores. Investment yields remained healthy at 8.8% with 93% of bond investments rated AA and above. Investment AUM grew 20% during FY2020-21. We continued investing into the digital transformation of the Company while maintaining cost discipline. Our healthy capital position allowed us to pursue growth opportunities across all lines of business.

Retail business registered healthy growth at 14% among which contribution from motor as a segment remained significant. Retail business is crucial to our business strategy as this brings granularity and risk diversification to the portfolio, while our focus is to build business around product segments of private car, preferred commercial vehicle, and individual health. Further, our Retail strategy has been consistently aligned towards strengthening distribution foothold across the country, expanding both horizontally and vertically with enhanced focus on profitable segments. With an aim to increase penetration within Tier 3 and 4 markets, we have expanded our footprint to 1100+ locations.

The Corporate Business Group grew 12.1% during the year, with its hybrid business model it has stayed invested in curating Direct Relationships with Large Corporate Houses as well as focused on integrating with Corporate Brokers who help provide a wider access to the business across the country. Key product focus for the Corporate Business is on Commercial Line products like Fire, Engineering, Marine and Liability.

Government Business comprising Crop and Mass health segments grew at 8.7% during the year. During the year Crop Insurance Scheme- Pradhan Mantri Fasal Bima Yajana (PMFBY) also completed 5 successful years. Participation in government sponsored insurance schemes serves as a diversification measure focused on Miscellaneous Business. The balanced geographic and cyclical spread of risks in Crop insurance schemes effectively neutralized excess volatility, adverse exposures to Catastrophic losses by bringing down the overall cost of administration and assured profitability of

the portfolio.

Customer-Centricity has been the core philosophy of the Company and adhering our cores we have paid 97% of the claim within 30 days. This has helped build sustainable relationship with customers and as a merit, the Company had one of the lowest complaint ratios amongst the industry peers.

Fiscal 2020-21 also saw the launch of our brand mascot 'BroBot.' With digital replacing the physical everywhere, our brand's new philosophy of "Tech + Heart = Live Smart" was introduced where 'Tech' is explaining the radical shift to digitization and 'Heart' indicating the unimpaired human touch and empathy that comes along with it to make lives 'Live Smart'. The objective of the campaign was to re-enforce the Company's positioning as a new-age general insurance brand that offers customers the convenience of technology along with the empathy of a human heart and extends the brand philosophy of LiveSmart to all our stakeholders.

Employees are the most important asset for an organisation's growth and success. Our Company has always given utmost priority towards safeguarding employee's health and safety followed by their economic wellbeing. In the unprecedented difficult times of COVID-19 Pandemic, our Company took several initiatives to ensure that employees are fully aware of the actions they must take to keep themselves and their community safe. Our Company had one-to-one HR calls with each employee regularly to check on their wellbeing and support needed. At the same time various online contests, programs, and activities were conducted to keep employees engaged and active while operating from home which was of utmost importance to protect one's mental well-being. A vaccination support program was also launched for employees and their immediate family.

At the end, I would like to extend my sincere gratitude to the employees, channel partners and each & every stakeholder and their families for their trust and support, and for ensuring business continuity at such a critical juncture. No matter how huge the adversity we face, we always manage to open a path to the future. The post-pandemic world is expected to be different in many ways while presenting us with new set of opportunities for growth and prosperity.

Regards,



**Rakesh Jain**  
Executive Director & CEO

## BOARD OF DIRECTORS

### Mr. Rajendra Chitale

Chairman & Director

### Mr. Anil D. Ambani

Director

### Dr. Thomas Mathew

Director

### Mr. Rahul Sarin

Director

### Mr. P. K. Malhotra

Director

### Mrs. Chhaya Virani

Director

### Mr. Rakesh Jain

Executive Director & CEO

## CHIEF FINANCIAL OFFICER

### Mr. Hemant Jain

## COMPANY SECRETARY

### Mr. Mohan Khandekar

## BANKERS

Andhra Bank

Axis Bank

BOI

Catholic Syrian Bank

Deutsche Bank

IndusInd Bank

SBI

SVC Co-Operative Bank

Baroda Gujarat Gramin Bank

IDFC First Bank Ltd

City Union Bank Ltd

Dhoha Bank

Equitas Small Finance Bank

HDFC Bank

HSBC Bank

ICICI Bank

IDBI Bank

UCO Bank

YES Bank

Dena Gujarat Gramin Bank

Uttarbanga Kshetriya Gramin Bank

Gujarat State Cooperative Bank

## AUDITORS

M/s. Uttam Abuwala Ghosh & Associates  
Chartered Accountants

M/s. Pathak H.D. & Associates LLP  
Chartered Accountants

### REGISTERED & CORPORATE OFFICE

6th Floor, Oberoi Commerz, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (E), Mumbai - 400063  
Tel: +91 22 41732000 | Fax: +91 22 41732158  
[www.reliancegeneral.co.in](http://www.reliancegeneral.co.in)

### REGISTRAR AND TRANSFER AGENT

KFin Technologies Private Limited  
Selenium, Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Hyderabad 500032.  
Tel : +91 40 6716 1500

# Reliance General Insurance Company Limited is among the leading private sector general insurance companies in India.

Through our products and services, we try to meet every customer's individual needs by offering customized plans. In our endeavor to delight our customers, we strive to come up with innovative products like India's first Over-The-Counter health & home insurance policies. We provide prudent risk management solutions across a wide range of business lines. Our relentless focus on meeting customer expectations is manifested through our disciplined approach to innovation and service quality standards for our offerings. We drive excellence in products and services, bolstered by a robust technology infrastructure which is continually being enhanced to ensure the best customer experience.

With a vision "to score perfectly for world standard services & products and want to be first choice in the market"

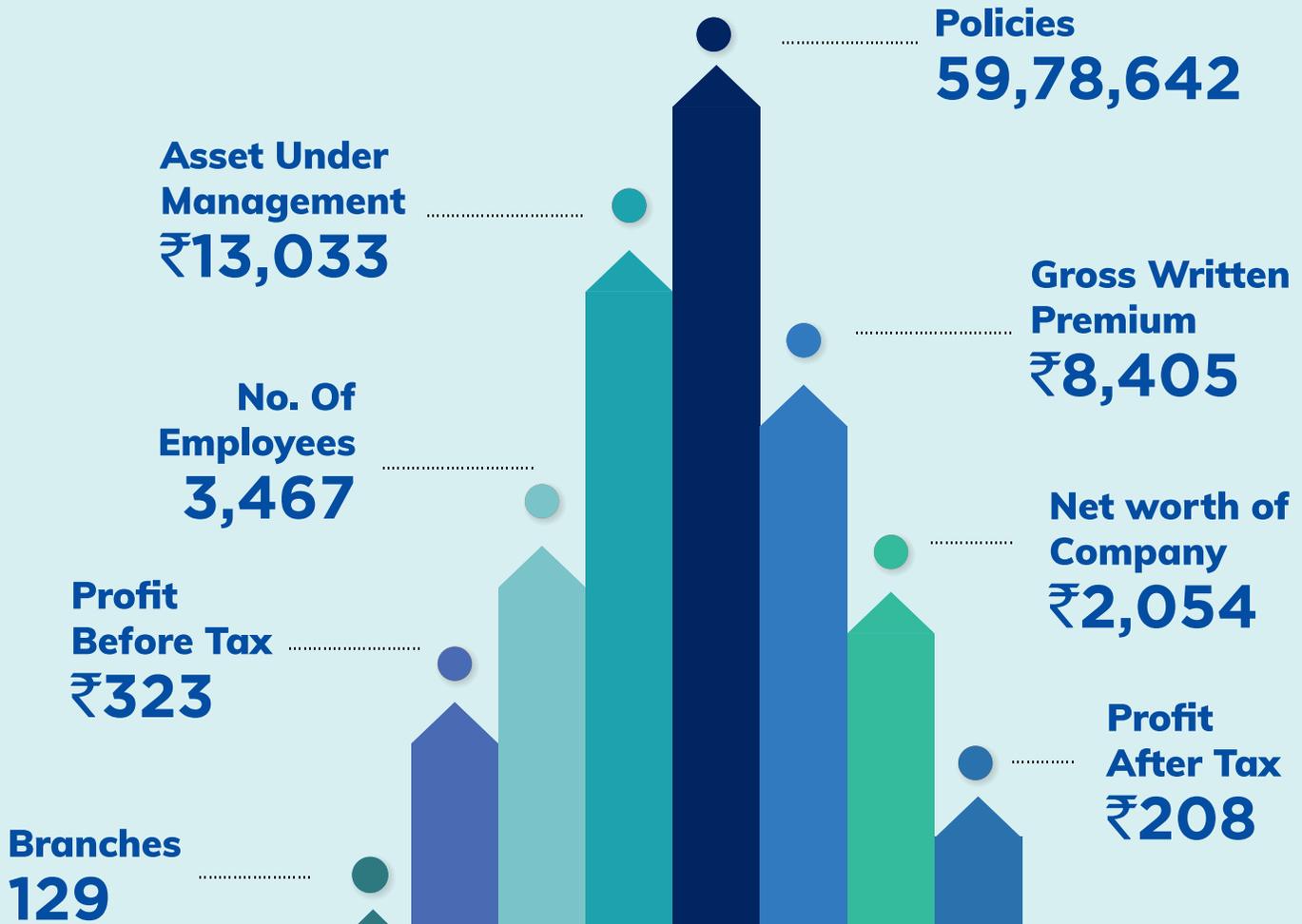
We are on a mission to:

- Satisfy need of insurance cover in that crucial hour
- Offer incomparable customer service
- Provide innovative products
- Better reach through presence across India



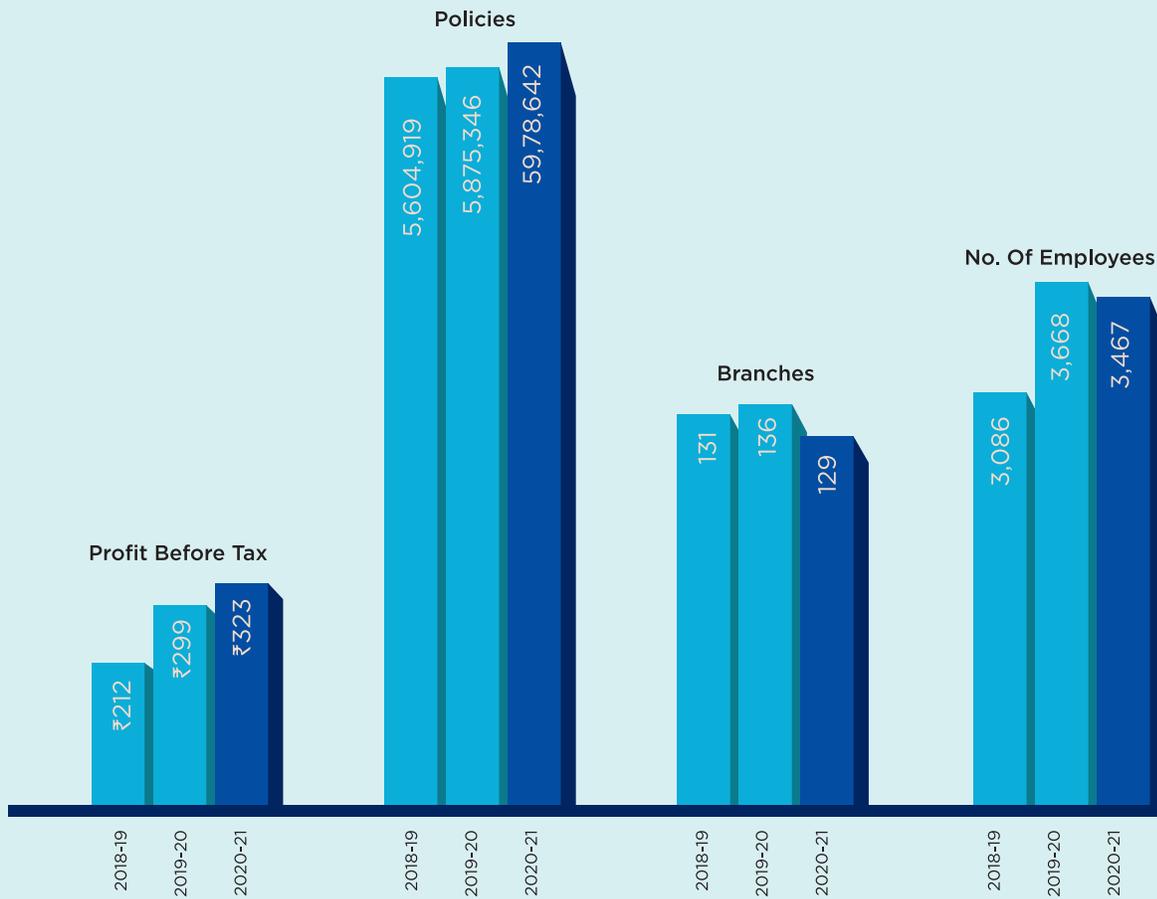
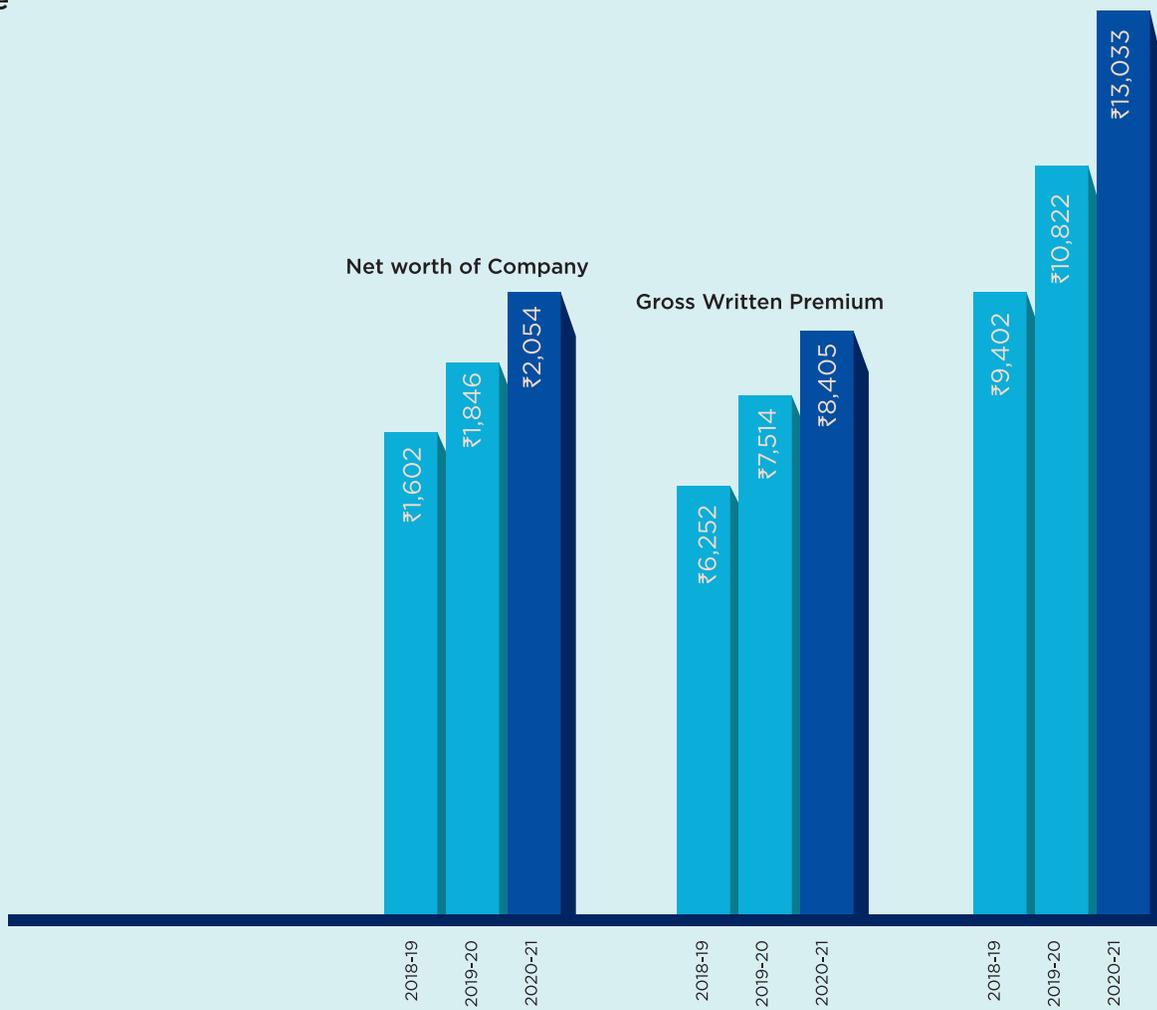
# Financial performance Snapshot FY 2020-21

₹ in crore



₹ in crore

Asset Under Management



# INDEX

02

DIRECTORS'  
REPORT

19

REPORT ON CORPORATE  
GOVERNANCE

24

OPERATIONAL  
INITIATIVES

28

MANAGEMENT  
REPORT

36

AUDITORS'  
REPORT

54

REVENUE  
ACCOUNTS

57

PROFIT & LOSS  
ACCOUNT

58

BALANCE  
SHEET

59

SCHEDULES ANNEXED  
TO BALANCE SHEET,  
REVENUE ACCOUNT  
AND PROFIT & LOSS  
ACCOUNT

73

RECEIPTS AND  
PAYMENT  
ACCOUNTS

74

ACCOUNTING POLICIES  
AND NOTES TO  
ACCOUNTS

## DIRECTORS' REPORT

To the Members,

Your Directors present the Twenty First Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2021.

### SUMMARY OF FINANCIAL RESULTS

The financial performance for FY2020-21 is summarised below:

(Rs. in crore)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Gross written premium	8,405.40	7513.97
Net Earned premium	3,661.11	4078.61
Income from Investments	1,072.70	927.98
Profit before Tax	322.54	299.38
Profit after Tax	208.12	259.36
EPS- Basic (Rs.)	8.27	10.31
EPS- Diluted (Rs.)	8.60	10.27

### DIVIDEND

The operations have resulted in a profit after tax of Rs. 208.12 crore as compared to a profit after tax of Rs. 259.36 crore for the previous year. The Board of Directors at its meeting held on May 07, 2021 has recommended a dividend @ 0.4% i.e. 4 paise per Equity Share to the shareholders for their approval at the forthcoming Annual General Meeting of the Company.

### TRANSFER TO RESERVES

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

### BUSINESS PERFORMANCE

During FY2020-21, the Company has underwritten Gross Written Premium of Rs. 8,405.40 crore as against Rs. 7,513.97 crore in FY2019-20 registering an increase by 12%. The main focus during the year was to improve the profitability of the Company along with growth. The Profit Before Tax earned during FY2020-21 is Rs. 322.54 crore as against Profit of Rs. 299.38 crore during the previous year achieving a growth of 8 % over FY2019-20.

### BUSINESS UPDATE

FY2020-21 was a challenging year to witness the worldwide pandemic of Novel Corona Virus (COVID), which not only impacted the lifestyle of the people across the globe, but also the global economies and the business strategies of the companies across all the sectors. The consequences of the serious impact of COVID is understood by the World and is getting handled through vaccinations and continued precautions. Reducing intensity has become the goal mantra rather than the futile elimination. The evolution of mutants and longevity of the solution is throwing challenges which can be overcome only through the test of time. During the year under review the IRDAI issued Guideline on COVID Standard Benefit based Health Policies, to encourage insurers to offer an Individual COVID specific Standard Benefit based Health Policy with Nomenclature "Corona Rakshak". The Company received the regulatory approval for the following products under IRDAI Guidelines on COVID Standard Health Policy and Guidelines on Standard Benefit based Health Policies:

1. Corona Rakshak Policy, Reliance General;
2. Corona Kavach Policy, Reliance General;

The Company had also applied and received approval from the IRDAI for the following products:

1. Group Mediclaim - Reliance COVID - 19 Indemnity and
2. Reliance COVID-19 Indemnity Policy

Under Regulatory Sandbox regime inviting application for second cohort during the year under review, IRDAI has accorded approval to the Company for a product - "Digital Care Management".

## INVESTMENTS

FY2020-21 turned out to be the most challenging year in the history of living humanity. The entire activities during the year were deeply impacted by the COVID pandemic and the time taken to fight it. The market and its participants, the Regulators and its Governments were also involved in a single approach to provide stability to the market and various economic activities surrounding the same. Stimulus both fiscal and monetary was the medicine thought to relieve the world of this pain. India was not an exception. The challenges were more for India, especially being the second most populated country globally and a developing economy getting back on its feet to take on the world. The markets across the world responded positively to the largesse given by the system. The bond yields stabilized to keep the increased borrowing costs low to the Governments which had to substantially increase their debt. The bond yields reflected by the 10 year G-sec, 5 year G-sec and 5 year corporate benchmarks moved up by 3 bps, down by 21 bps and down by 50 bps respectively in this year. They closed at yields 6.17%, 5.97% and 6.16% respectively. The rupee depreciated 3.3% against the US dollar. The equities in India saw varied performance during the year.

The investment portfolio of the Company as on March 31, 2021 is Rs. 13,161 crore as compared to Rs. 10,998 crore as on March 31, 2020. The market value of the same is Rs. 13,344 crore as compared to Rs. 11,078 crore in the last Financial Year. The income for the whole year stood at Rs. 1,066 crore as compared to Rs. 920 crore in the last Financial Year.

## CORPORATE GOVERNANCE

IRDAI had issued comprehensive guidelines on Corporate Governance for adoption by the Insurance Companies (CG Guidelines). The objective of these guidelines is to ensure that the structure, responsibilities and functions of the Board 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 the members, employees, government and society. A report on Corporate Governance as required under the Corporate Governance Guidelines for insurance

companies issued by IRDAI is annexed to this report along with a certificate from the Company Secretary.

## ANNUAL RETURN

As required under Section 134(3)(a) of the Companies Act, 2013 (the Act), the Annual Return for FY2019-20 is put up on the Company's website and can be accessed at [https://www.reliancegeneral.co.in/PublicDisclosure/Form-MGT-7-\(2019-20\).pdf](https://www.reliancegeneral.co.in/PublicDisclosure/Form-MGT-7-(2019-20).pdf).

Annual Return for FY2020-21 will be put up on the Company's website, once it is filed with the Registrar of Companies.

## MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year five meetings of the Board were held. The details of the meetings of the Board are given in the Corporate Governance Report.

## POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The Nomination and Remuneration Committee has devised a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration. The Committee has also formulated the criteria for determining qualifications, positive attributes and independence of a Director, which has been put up on the Company's website [www.reliancegeneral.co.in](http://www.reliancegeneral.co.in). The policy on the above is attached as "Annexure I".

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has received a declaration from all the Independent Directors that they meet the criteria of independence laid down under Section 149(6) of the Act.

Mr. Anmol Ambani, Non-Executive Director had resigned due to other pre-occupations and has ceased to be a Director w.e.f. September 2, 2020. The Directors place on record their deep appreciation for the valuable guidance and assistance received during his tenure as a Director and Member of various Committees of the Board. Mr. Prem Kumar Malhotra was appointed as an Independent Director w.e.f. September 2, 2020. Mrs. Chhaya Virani, Independent Director, had retired w.e.f. September 27, 2020 due to completion of his term of five years as an Independent Director and being eligible, was appointed as an Independent Director for another term of five years w.e.f. September 28, 2020. Mr. Anil D. Ambani was appointed as a Non-Executive Director w.e.f. October 20, 2020.

Mr. Rakesh Jain, Executive Director & CEO was re-appointed for a period of five years w.e.f. October 20, 2020.

In terms of the provisions of Section 152(6) of the Act, Mr. Anil D. Ambani, Non - Executive Director of the Company will retire by rotation and being eligible has offered himself for re-appointment at the ensuing Annual General Meeting.

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

### **OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTOR APPOINTED/ RE-APPOINTED DURING FY 2020-21**

Mr. Prem Kumar Malhotra was appointed as an Independent Director for a term of five years w.e.f. September 2, 2020. He holds a master's degree of laws from Gujarat University and a master's degree of arts in political science from Panjab University. He also holds a diploma in international law from University of Delhi. He is currently a practicing advocate and a legal consultant. He has more than four decades of experience in the field of law and has held many important assignments in the Government of India. He was Secretary, Legal Affairs as well as Legislative Department in the Ministry of Law and Justice, Government of India; Member, Law Commission of India; Presiding Officer (Offg.) and Member, Securities Appellate Tribunal; Chairman, Adjudicating Authority under the Prevention of Money Laundering Act and Judicial Member, Income-tax Appellate Tribunal. Accordingly, in the opinion of the Board, Mr. Malhotra fulfils the conditions specified in the Act and the Rules thereunder for appointment as an Independent Director and is independent of the management of the Company. Further, his appointment on the Board would immensely benefit the Company, given his knowledge, experience and past performance.

Mrs. Chhaya Virani was appointed as an Independent Director for second term of five years w.e.f. September 28, 2020. She is a solicitor and holds both a bachelor's degree in arts from Mumbai University and a bachelor's degree in law from Government Law College. She is currently a partner at ALMT Legal Advocates and Solicitors. She has vast experience in the field of law. Accordingly, in the opinion of the Board, Mrs. Virani fulfils the conditions specified in the Act and the Rules thereunder for re-appointment as an Independent Director and is independent of the management of the Company. Further, her re-appointment on the Board would immensely benefit the Company, given her knowledge, experience and past performance.

### **BOARD EVALUATION**

The Board has carried out an annual evaluation of its own performance, performance of its Committees and the individual directors pursuant to the provisions of the Act. 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 and its Committees taking into account the views of Executive Director and Non-Executive Directors was evaluated.

### **VIGIL MECHANISM**

The Company has formulated an Ombudspersons & Whistle Blower Policy/ Vigil Mechanism to address the genuine concerns, if any, of the directors and employees. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Policy is available on the Company's website.

### **EMPLOYEE BENEFIT SCHEMES**

The Company has in place 'RGICL Employee Stock Option Scheme, 2017' (ESOP). The underlying philosophy of the Company's ESOP is to reward the key employees for their association, dedication and contribution to the goals of the Company. ESOPs are also expected to strengthen the sense of ownership and belonging among the recipients.

Details of the ESOP as required under Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, as amended, are annexed herewith as "Annexure II".

### **DIRECTORS RESPONSIBILITY STATEMENT**

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

- i. In the preparation of the Annual Financial Statements for the Financial Year ended March 31, 2021, 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 March 31, 2021 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 March 31, 2021 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.

#### **MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION**

There were no material changes or commitments affecting the financial position of the Company between March 31, 2021 and the date of this report.

#### **IMPLEMENTATION OF INDIAN ACCOUNTING STANDARD (IND AS)**

IRDAI vide its Circular No. IRDAI/F&A/CIR/ACTS/023/01/2020 dated January 21, 2020 deferred implementation of Ind AS sine die from originally planned year i.e. FY2020-21.

#### **AWARDS AND RECOGNITION**

The Company has achieved innumerable awards and was recognized in various fora, summits and conferences during the year. Few of them are given below:

- The Company was recognized by "Asia's Best Emerging Insurance Companies Awards" for the category "Best Insurance Company of The Year 2020".
- Maddies Awards awarded the Company with a silver award for the category "Best Use of Mobile Customer Engagement" for the most customer-friendly insurance smart mobile application at the fingertips of the customers.
- The Company has been awarded by a prestigious platform "ET Best Brands" for the category "The Best Brand of the Year 2020" for brand presence amongst its target audiences, making it one of the best brands in the General Insurance category.
- India CX Digital Awards awarded the Company for the category "Best Multi / Omni-Channel Customer Experience" for crafting a seamless and delightful customer journey across platforms.
- Insurance India Awards recognized the growing efforts of the Company by awarding for the category "The Product Innovator of the Year" for the Reliance Health Infinity product.

#### **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.

In terms of the provisions of Section 136(1) of the Act read with the aforesaid Rules, the Directors' Report is being sent to the members 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.

#### **SECRETARIAL AUDITOR & SECRETARIAL AUDITOR'S REPORT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Aashish K. Bhatt & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for FY2020-21. There are no qualification, reservation or adverse remark or disclaimer made by the secretarial auditor in their report. The secretarial audit report is annexed herewith as "Annexure III".

#### **SECRETARIAL STANDARDS ISSUED BY ICSI**

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India from time to time.

#### **STATUTORY AUDITORS**

Members of the Company at the Seventeenth and Nineteenth Annual General Meeting had appointed M/s. Pathak H.D. & Associates LLP, Chartered Accountants (Firm Registration Number 107783W) and M/s. Uttam Abuwala Ghosh & Associates, Chartered Accountants (Firm Registration Number 111184W) respectively, as Joint Statutory Auditors of the Company for a period of five years.

## STATUTORY AUDITORS' REPORT

The Statutory Auditor's Report on the Financial Results for the year ended March 31, 2021, contains a modified opinion provided hereunder:

The Company has investments of Rs. 129.94 crore in Non-Convertible Debentures (NCDs) of Reliance Capital Limited (RCL), which have been classified as doubtful assets based on Prudential Norms for Income Recognition, Asset Classification and Provisioning issued under Insurance Regulatory & Development Authority of India's (IRDAI's) master circular on Preparation of Financial Statements. The management have estimated the realisable value considering prudent accounting policy and recognising substance over form. Accordingly, the Company has created provision of 30% of total investments in RCL amounting to Rs. 38.98 crore and the management is confident of realisability of balance amount.

## BOARD'S RESPONSE ON THE STATUTORY AUDITORS' QUALIFICATION

In respect of the aforesaid modified opinion by the Statutory Auditors on Financial Results, management response of the Company is hereunder:

The Company has followed 'Prudential Norms for Income Recognition, Asset Classification and Provisioning' issued under IRDAI's master circular on Preparation of Financial Statement based on which provision is created on the investments in NCDs of Reliance Capital Limited.

## RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during FY2020-21 with related parties were on arm's length basis and in ordinary course of the business of the Company. The details of transactions with related parties are placed before the Audit Committee and the Board at the quarterly meetings.

There were no materially significant transactions with the KMPs or their relatives that have a potential conflict with the interest of the Company at large. As per Accounting Standard - 18 on 'Related Party Disclosures', the details of related party transactions entered by the Company are included in the Notes to Accounts.

## THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The Company, being an insurance company does not have any manufacturing activity. The Directors therefore, have nothing material to report on conservation of energy. However, the Company continues its efforts to implement energy efficient solutions in various spheres of its activities.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings in foreign currency: Rs. 39.15 Crore

Expenditure in foreign currency: Rs. 43.77 Crore

## RISK MANAGEMENT

The Company has a dedicated and independent Enterprise Risk Management team to carry out the process of identifying, assessing, recording, mitigating, monitoring and reporting of enterprise-wide risks. The Company has a well-integrated Enterprise Risk Management framework with the Risk Management Committee (RMC) monitoring the implementation of Enterprise Risk Management practices across the organization. On annual basis the Board deliberate on and review the Enterprise Risk Management and Internal Audit Policy of the Company. There are four functions which are, Internal Audit, Enterprise Risk Management, Information Security and Grievance Management well integrated under one team and reporting into Chief Risk Officer (CRO).

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 (including Cyber Risk) and Compliance risk. On quarterly basis the Board, inter-alia, reviews the minutes of Risk Management Committee and Audit Committee and CRO updates RMC and Board on the Risk Report of the Company. Based on which, RMC and Board decides on appropriate mitigation plan to be implemented. CRO along with the control owners monitors the implementation of formulated mitigation plan. Further, on being found to be aligned with Risk Management Principles & Guidelines after undergoing an exhaustive audit, the Company has received ISO 31000:2018 Assurance from DNV GL in FY2020-21. This will go a long way in enhancing the trust of all stakeholders in the deliverables of the Company.

The report on the effectiveness of Internal Control over Financial Reporting as per the guidelines issued by the Institute of Chartered Accountants of India is placed before the Board directly by the Statutory Auditors on an annual basis.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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 CSR Committee has formulated a 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](http://www.reliancegeneral.co.in).

The CSR Committee presently consists of Mr. Rahul Sarin, Mr. P. K. Malhotra and Mr. Rakesh Jain as members.

## **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.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has established an Internal Financial Control Framework as per the requirements of the Act. 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 informed. The Audit Committee assures the adequacy and effectiveness of the internal financial control system as laid down.

The Company has established a well-defined internal control over financial reporting criterion across the organisation. During the year, such controls are tested and any material weakness is reported to senior management. During the year under review the internal financial controls with reference to the financial statements were adequate and operating effectively.

## **AUDIT COMMITTEE**

The Audit Committee comprises of three members all are Independent Directors. The Chairman of the Committee is an Independent Director and a qualified Chartered Accountant. The composition of the Committee is in conformity with the provisions of Section 177 of the Act and CG Guidelines. All the Committee members possess adequate qualifications to fulfill their duties as stipulated under the Act and the Guidelines.

The other details about the Committee are included in the Corporate Governance Report forming part of this report.

## **DISCLOSURES UNDER THE COMPANIES ACT, 2013 AND RULES THEREUNDER**

- The Company is not required to maintain cost records pursuant to Section 148 of the Companies Act, 2013 read with rules thereunder;
- Section 186 of the Companies Act, 2013 relating to loans, guarantees and investments, requiring, inter alia, disclosure thereof in the financial statements does not apply to the Company.
- The Company does not have any subsidiary, joint venture or associate company; and
- The Company has not accepted any public deposits during the year under review.

## **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.

There was one sexual harassment complaint received during FY2020-21. The same was investigated by ICC and disposed-off with suitable actions taken.

**DEBENTURE TRUSTEES**

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 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](http://www.vistraitcl.com)

**APPRECIATION & 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, Registrar of Companies and other statutory authorities.

Your Directors are thankful to the policyholders, agents, intermediaries and reinsurers for reposing their unstinted faith in the Company.

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

**Rajendra Chitale**  
**Chairman**  
**(DIN-00015986)**

Place: Mumbai  
Date: May 7, 2021

**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 or 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 Personnel/ 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.

**Mohan Khandekar**  
**Company Secretary &**  
**Chief Compliance Officer**

**Details of the ESOPs, as required under Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014:**

Sr. No.	Particulars	
1.	Options Granted during FY2020-21	4,36,986
2.	Options Vested during FY2020-21	NIL
3.	Options Exercised during FY2020-21	NIL
4.	Total number of shares arising as a result of exercise of option during FY2020-21	NIL
5.	Options Lapsed during FY2020-21	NIL
6.	Grant Price for the Options granted during FY2020-21	Rs. 146
7.	Variation of terms of Options during FY2020-21	N.A.
8.	Money realized by exercise of Options during FY2020-21	N.A.
9.	Total number of Options in force as on March 31, 2021	58,96,941
10.	<b>Employee wise details of options granted to Key Managerial Personnel during FY2020-21:</b>	
	Mr. Rakesh Jain, Executive Director & CEO	4,36,986
	Mr. Hemant Jain, Chief Financial Officer	NIL
	Mr. Mohan Khandekar, Company Secretary	NIL
11.	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital of the Company at the time of grant	N.A.
12.	Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year:	

Financial Year	Name	Designation	Options Granted
FY2017-18	Mr. Rakesh Jain	Executive Director & CEO	8,94,400
FY2018-19	Mr. Rakesh Jain	Executive Director & CEO	2,27,273
FY2018-19	Mr. Hemant Jain	Chief Financial Officer	1,08,658
FY2018-19	Mr. Anand Singhi	Chief Distribution Officer	1,56,129
FY2019-20	Mr. Rakesh Jain	Executive Director & CEO	2,54,854
FY2020-21	Mr. Rakesh Jain	Executive Director & CEO	4,36,986

**Mohan Khandekar**  
**Company Secretary &**  
**Chief Compliance Officer**

**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH,2021**

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

To,

**The Members,**

**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 audit period covering financial year ended 31<sup>st</sup>March, 2021, 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 31<sup>st</sup>March, 2021, 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;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – Not Applicable;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, 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:
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – Not Applicable;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – Not Applicable;
    - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Not Applicable;
    - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 – Not Applicable;
    - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – Not Applicable;
    - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not Applicable;

- vi. Further, we report that, based on the compliance mechanism established by the Company, which has been verified on test check basis and the Compliance Report submitted to and taken on record by the Board of Directors of the Company, we are of the opinion that the Company has complied with the provisions of the Insurance Act, 1938, the Insurance Laws (Amendment) Act, 2015, Guidelines on Motor insurance Service Provider issued on August 31, 2017 and regulations, guidelines and directions issued by IRDAI.

Further, on account of pandemic “COVID 2019” and lockdown imposed by the State Government, the audit process has been modified, wherein the documents /records etc. were verified in electronic mode/online and have relied on the representations received from the Company for its accuracy and authenticity.

I have examined compliances with applicable clauses of:

- i. Secretarial Standards issued by the Institute of the Company Secretaries of India;
- ii. The Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, 2015 pertaining to Listed Non-Convertible Debentures;

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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 and operations of the Company to monitor and ensure compliance with applicable laws.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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) Reappointment of Mr. Rakesh Jain as Executive Director and CEO of the Company;
- (iii) Reconstitution of Board and various committees;
- (iv) Appointment and re-appointment of Independent directors;
- (v) Appointment and Regularization of Independent Directors and Non-Executive Director;
- (vi) Appointment of Chairman of the Board;
- (vii) Resignation of Non-Executive Director;

- (viii) Shifting of registered office within the local limits;
- (ix) Application to IRDAI for grant of permission for promoting innovation in insurance under IRDAI (Regulatory Sandbox) Regulations, 2019;
- (x) Revision in various policies of the Company;
- (xi) IRDAI had rejected the application for in-principle approval for amalgamation of Reliance Health Insurance Limited with the Company due to non-payment of the application fees.

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

**Aashish Bhatt**  
**Proprietor**

**Place: Mumbai**  
**Date: 07.05.2021**

**ACS No.: 19639, COP No.: 7023**  
**UDIN: A019639C000251761**

This Report is to be read with our letter annexed as Appendix A, which forms integral part of this report.

**APPENDIX A**

To,

**The Members,**

**Reliance General Insurance Company Limited**

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

1. The responsibility of maintaining Secretarial record is of the management and based on my audit, I have expressed my opinion on these records.
2. I am of the opinion that the audit practices and process adopted to obtain assurance about the correctness of the secretarial records were reasonable for verification on test check basis.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The management is responsible for compliances with corporate and other applicable laws, rules, regulations, standards etc. My examination was limited to the verification of procedure on test basis and wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**Aashish Bhatt**  
**Proprietor**

**Place: Mumbai**  
**Date: 07.05.2021**

**ACS No.: 19639, COP No.: 7023**  
**UDIN: A019639C000251761**

## ANNUAL REPORT ON CSR ACTIVITIES

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

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 [https://www.reliancegeneral.co.in/PublicDisclosure/Corporate\\_Social\\_Responsibility\\_Policy.pdf](https://www.reliancegeneral.co.in/PublicDisclosure/Corporate_Social_Responsibility_Policy.pdf)

### 2. The Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rahul Sarin	Independent Director	1	1 of 1
2.	Mr. P. K. Malhotra (appointed as a Member w.e.f. 08.01.2021)	Independent Director	1	1 of 1
3.	Mr. Rakesh Jain	Executive Director & CEO	1	1 of 1
4.	Mr. Anmol Ambani (ceased to be a Member w.e.f. 02.09.2020)	Non-Executive Director	1	-

3. The Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company at <https://www.reliancegeneral.co.in/Insurance/About-Us/Public-Disclosure-RGI.aspx>
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: N.A.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set-off for the financial year: NIL
6. Average net profit of the Company as per section 135(5): Rs. 2,25,45,21,333
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 4,50,90,427  
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
(c) Amount required to be set off for the financial year, if any: NIL  
(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 4,50,90,427
8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4,50,98,102	-	-	-	-	-

- (b) **Details of CSR amount spent against ongoing projects for the financial year: NIL**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District				Name	CSR Registration Number
1.	COVID 2019 VIRUS Food Relief Programme organized under the Project -Atria Foundation BMSSS	Eradicating hunger, poverty and malnutrition	No	Karnataka	Bangalore	FY 2020-21	1,00,000	No	Bangalore Multipurpose Social Service Society	-
2.	#iCare4Bengal Cyclone Relief	Eradicating hunger, poverty and malnutrition and promoting health care	No	West Bengal	North 24 Parganas, Hooghly, Howrah, East Midnapore	June-July 2020	25,000	No	Seva Kendra Calcutta	-
3.	Setting up, running & managing educational institutions	Promoting education	No	Bihar	Siwan	FY 2020-21	55,00,000	No	Sunita Education Trust	-
4.	Spreading of Education & Culture	Promoting education	No	Tamil Nadu	Coimbatore, Erode, Salem, Dharmapuri, Cuddalore, Villupuram, Tuticorin, Nagercoil and Karur	FY 2020-21	10,00,000	No	Isha Education	-
			Andhra Pradesh	Chittoor						
5.	COVID-19 Relief	Promoting health care including preventive health care	Yes	Haryana	Ambala, Gurgaon, Hisar, Jind, Karnal, Mahendragarh, Sonipat	FY 2020-21	49,73,102	Yes	-	-
			Rajasthan	Banswara, Bharatpur, Nagaur, Jaipur, Pali, Pratapgarh						
			Odisha	Angul, Baudh, Cuttack, Jharsuguda, Kandhamal, Keonjhar, Khurdha, Koraput, Nawapada, Rayagada, Sambalpur, Sundargarh						
			Maharashtra	Parbhani, Wardha, Nagpur, Washim, Buldhana, Sangli, Nandurbar, Kolhapur, Jalna, Gondia						
6.	Establishment of Global Cardiology Institute & Multispecialty Hospital	Promoting health care including preventive health care	No	Rajasthan	Jaipur	FY 2020-21	41,00,000	No	Aadhar Foundation	-
7.	Annual coaching, education, health & nutrition, equipment, National and International competitions etc. for athletes training at the institute	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Yes	Pan India	Pan India	FY2020-21	30,00,000	No	Inspire Institute of Sports	-
8.	Construction of Medical College, Hospital & Hostel	Promoting education, promoting health care including preventive health care	No	Gujarat	Ahmedabad	FY 2020-21	1,00,00,000	No	Jivan Jyot Foundation	-

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District				Name	CSR Registration Number
9.	Affordable housing to the members of the Trust who are Blind, Handicapped, Deaf, Widow, Divorcee, Helpless women, mentally challenged, Orphans, Cancer/ Dialysis/ Kidney/ Heart patients, HIV patients, & BPL people, etc.	Setting up homes and hostels for women and orphans; setting up old age homes, day care centres and other facilities for senior citizens and measures for reducing inequalities faced by economically backward groups	Yes	Maharashtra	Kanjur	FY 2020-21	1,00,00,000	No	Omkar Andh Apang Samajik Sanstha	-
10.	Condensed course for women education, De-addiction Centre, Vocational Training Programme for disable persons, Computer Training Centre under special Training by organizations self-funding, Minority / ST/SC/OBC Women Training, etc.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Gujarat	Chotila	FY 2020-21	64,00,000	No	Shri Jagatbharti Education and Charitable Trust	-

Note: Provisions of the Companies Act, 2013 w.r.t. the CSR Registration No. is applicable w.e.f. April 1, 2021.

- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable: N. A.
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 4,50,98,102
- (g) Excess amount for set off, if any:

Sr. No.	Particular	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	4,50,90,427
2.	Total amount spent for the Financial Year	4,50,98,102
3.	Excess amount spent for the financial year [(ii)-(i)]	7,675
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	7,675

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	2019-20	82,70,000*	82,70,000	-	-	-	-
2.	2018-19	-	-	-	-	-	-
3.	2017-19	-	-	-	-	-	-

\* The unspent amount for FY2019-20 was spent during April 2020 itself. There was no provision under the Companies Act, 2013 for transfer of unspent amount to Unspent CSR Account then.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

10. Details relating to the capital asset created or acquired through CSR spent in the financial year: N.A.

11. Reason(s) for not spending two per cent of the average net profit as per section 135(5): N.A.

For and on behalf of the Board of Directors

**Rakesh Jain**  
Executive Director and CEO  
(DIN: 03645324)

**Rahul Sarin**  
Member of CSR Committee  
(DIN: 02155529)

Place: Mumbai  
Date: May 7, 2021

## CORPORATE GOVERNANCE REPORT

### 1. Philosophy on Corporate Governance

The Company has imbibed a philosophy of following robust corporate governance practices and accountability. The Company strives to adopt policies and practices that meet the highest ethical standards. The commitment to good governance has a distinctive competitive advantage, enhances reputation and creates long-term sustainability.

The Company's Corporate Governance principles are disclosure, fairness, independence, transparency, accountability, responsibility, social responsibility, compliance and ethical standards. The Company strives to achieve its mission in the lights of these corporate governance principles. 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. 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's board has played a vital role in guiding the evolution of culture and values in line with the changing times and the external environment. The Board recognises its responsibilities and stewardship role. 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:

Sr. No.	Name	Category/ Designation
1.	Mr. Rajendra Chitale	Chairman (Independent Director)
2.	Mr. Anil D. Ambani (appointed w.e.f. 20.10.2020)	Non-Executive Director
3.	Dr. Thomas Mathew	Independent Director
4.	Mr. Rahul Sarin	Independent Director
5.	Mr. P. K. Malhotra (appointed w.e.f. 02.09.2020)	Independent Director
6.	Mrs. Chhaya Virani	Independent Director
7.	Mr. Rakesh Jain	Executive Director & CEO
8.	Mr. Anmol Ambani (ceased w.e.f. 02.09.2020)	Non-Executive Director

Out of existing seven Directors, five are Independent Directors. As per the Corporate Governance Guidelines issued by IRDAI (CG Guidelines), the 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

The Company has constituted an Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013 and the CG Guidelines. Presently, the Committee consists of Mr. Rajendra Chitale as a Chairman, Dr. Thomas Mathew and Mrs. Chhaya Virani as Members. 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, the appointment and remunerations of Auditors of the Company. Audit Committee has discussions with Statutory Auditors before the audit commences about the nature and scope of audit as well as post audit discussions for addressing areas concern.

#### 4. Investment Committee

The Company has constituted an Investment Committee pursuant to the requirement of CG Guidelines. Presently, the Committee consists of the following members:

Mr. Rajendra Chitale, Mr. Anil D Ambani, Dr. Thomas Mathew, Mr. Rahul Sarin, Mrs. Chhaya Virani, Mr. Rakesh Jain, Mr. Hemant Jain, Mr. K. Ramkumar, Ms. Nanda Sambrani, Mr. Karthikeyan A. V.

The Investment Committee decides on the Investment Policy of the Company and reviews the investment decisions taken by the Company. Report on investment performance and investment portfolio is also placed before the Board for review.

#### 5. Policyholders' Protection Committee

The Company has constituted Policyholders' Protection Committee pursuant to the requirement of CG Guidelines. Presently, the Committee consists of Mr. Rahul Sarin, Mrs. Chhaya Virani and Mr. Rakesh Jain as Members. The Committee reviews and monitors customer grievances on regular basis. Report of the Policyholders' Protection Committee is also placed before the Board for review. The Company has Grievance Redressal Policy which is approved by the Board.

#### 6. Risk Management Committee

The Company has constituted Risk Management Committee pursuant to the requirement of CG Guidelines. Presently, the Committee consists of Mr. Rajendra Chitale, Mr. Anil D Ambani, Dr. Thomas Mathew, Mr. Rahul Sarin, Mrs. Chhaya Virani and Mr. Rakesh Jain as Members. The Committee monitors all the risks across the various lines of business of the Company.

#### 7. Nomination and Remuneration Committee

The Company has constituted Nomination and Remuneration Committee pursuant to the provisions of Section 178 of the Companies Act, 2013 and the CG Guidelines. Presently, the Committee consists of Mr. Rajendra Chitale, Mr. Anil D Ambani, Dr. Thomas Mathew, Mr. P. K. Malhotra and Mrs. Chhaya Virani as Members.

#### 8. Corporate Social Responsibility Committee

The Company has constituted Corporate Social Responsibility Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 and the CG Guidelines. Presently, the Committee comprises of Mr. Rahul Sarin, Mr. P. K. Malhotra and Mr. Rakesh Jain as Members.

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

#### 9. Details of meetings and composition of the Board and Committees and attendance of Directors at the said meetings etc.

##### BOARD OF DIRECTORS

Total Number of Meetings held: 5

Date of Meetings: 29-04-2020, 28-07-2020, 20-10-2020, 07-12-2020, 19-01-2021

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Mr. Rajendra Chitale	5 of 5	2,00,000	Chartered Accountant	Finance & Insurance
Mr. Anil D. Ambani (appointed as a Director w.e.f. 20.10.2020)	1 of 2	40,000	B.Sc. Hons. and MBA from the Wharton School of the University of Pennsylvania	Industrialist
Dr. Thomas Mathew	5 of 5	2,00,000	BA, MA, LLB, Master of Philosophy, Doctor of Philosophy	Bureaucrat
Mr. Rahul Sarin	5 of 5	2,00,000	Bachelor of Science and Law and a post-graduate degree in administrative services, UK	Bureaucrat
Mr. P. K. Malhotra (appointed as a Director w.e.f. 02.09.2020)	3 of 3	1,20,000	LLM, MA in political science, Diploma in international law	Legal, Bureaucrat

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Mrs. Chhaya Virani	5 of 5	2,00,000	BA, LLB	Legal
Mr. Rakesh Jain	5 of 5	-	Chartered Accountant, ICWAI	Finance & Insurance
Mr. Anmol Ambani (ceased to be a Director w.e.f. 02.09.2020)	0 of 2	-	Diploma of International Baccalaureate and Bachelor of Science, UK	Finance

**AUDIT COMMITTEE**

Total Number of Meetings held: 4

Date of Meetings: 29-04-2020, 28-07-2020, 20-10-2020, 18-01-2021

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Mr. Rajendra Chitale	4 of 4	1,60,000	Chartered Accountant	Finance & Insurance
Dr. Thomas Mathew	4 of 4	1,60,000	BA, MA, LLB, Master of Philosophy, Doctor of Philosophy	Bureaucrat
Mrs. Chhaya Virani	4 of 4	1,60,000	BA, LLB	Legal

**INVESTMENT COMMITTEE**

Total Number of Meetings held: 4

Date of Meetings: 29-04-2020, 28-07-2020, 20-10-2020, 19-01-2021

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Mr. Rajendra Chitale	4 of 4	1,20,000	Chartered Accountant	Finance & Insurance
Mr. Anil D. Ambani (appointed as a Member w.e.f. 02.11.2020)	0 of 1	-	B.Sc. Hons. and MBA from the Wharton School of the University of Pennsylvania	Industrialist
Dr. Thomas Mathew	4 of 4	1,20,000	BA, MA, LLB, Master of Philosophy, Doctor of Philosophy	Bureaucrat
Mr. Rahul Sarin	4 of 4	1,20,000	Bachelor of Science and Law and a post-graduate degree in administrative services, UK	Bureaucrat
Mrs. Chhaya Virani	4 of 4	1,20,000	BA, LLB	Legal
Mr. Rakesh Jain	4 of 4	-	Chartered Accountant, ICWAI	Finance & Insurance
Mr. Hemant Jain	4 of 4	-	Chartered Accountant	Finance
Mr. K. Ramkumar	4 of 4	-	B.Sc (Chemistry), Diploma in Business Finance, ICWAI	Investments
Mrs. Nanda Sambrani	4 of 4	-	B.Sc, Fellow of Insurance Institute of India	Risk Management & Compliance
Mr. Karthikeyan A.V.	4 of 4	-	Fellow of Institute of Actuaries of India and MBA	Actuary

**POLICYHOLDERS PROTECTION COMMITTEE**

**Total Number of Meetings held: 4**

**Date of Meetings: 29-04-2020, 28-07-2020, 20-10-2020, 18-01-2021**

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Mr. Rahul Sarin	4 of 4	1,20,000	Bachelor of Science and Law and a post-graduate degree in administrative services, UK	Bureaucrat
Mrs. Chhaya Virani	4 of 4	1,20,000	BA, LLB	Legal
Mr. Rakesh Jain	4 of 4	-	Chartered Accountant, ICWAI	Finance & Insurance
Mr. Anmol Ambani (ceased to be a Member w.e.f. 02.09.2020)	0 of 2	-	Diploma of International Baccalaureate and Bachelor of Science, UK	Finance

**RISK MANAGEMENT COMMITTEE**

**Total Number of Meetings held: 4**

**Date of Meetings: 29-04-2020, 28-07-2020, 20-10-2020, 19-01-2021**

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Mr. Rajendra Chitale	4 of 4	1,20,000	Chartered Accountant	Finance & Insurance
Mr. Anil D. Ambani (appointed as a Member w.e.f. 02.11.2020)	0 of 1	-	B.Sc. Hons. and MBA from the Wharton School of the University of Pennsylvania	Industrialist
Dr. Thomas Mathew (appointed as a Member w.e.f. 28.07.2020)	2 of 2	60,000	BA, MA, LLB, Master of Philosophy, Doctor of Philosophy	Bureaucrat
Mr. Rahul Sarin	4 of 4	1,20,000	Bachelor of Science and Law and a post-graduate degree in administrative services, UK	Bureaucrat
Mrs. Chhaya Virani (appointed as a Member w.e.f. 28.07.2020)	2 of 2	60,000	BA, LLB	Legal
Mr. Rakesh Jain	4 of 4	-	Chartered Accountant, ICWAI	Finance & Insurance

**NOMINATION AND REMUNERATION COMMITTEE**

**Total Number of Meetings held: 3**

**Date of Meetings: 29-04-2020, 07-12-2020, 19-01-2021**

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Mr. Rajendra Chitale	3 of 3	90,000	Chartered Accountant	Finance & Insurance
Mr. Anil D. Ambani (appointed as a Member w.e.f. 02.11.2020)	1 of 2	30,000	B.Sc. Hons. and MBA from the Wharton School of the University of Pennsylvania	Industrialist

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Dr. Thomas Mathew	3 of 3	90,000	BA, MA, LLB, Master of Philosophy, Doctor of Philosophy	Bureaucrat
Mr. P. K. Malhotra (appointed as a Member w.e.f. 08.01.2021)	1 of 1	30,000	LLM, MA in political science, Diploma in international law	Legal, Bureaucrat
Mrs. Chhaya Virani	3 of 3	90,000	BA, LLB	Legal
Mr. Anmol Ambani (ceased to be a Member w.e.f. 02.09.2020)	0 of 1	-	Diploma of International Baccalaureate and Bachelor of Science, UK	Finance

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Total Number of Meetings held: 1

Date of Meeting: 18-01-2021

Name of the Director	Meeting attended / held	Compensation paid Gross (Sitting Fees) (Rs.)	Qualification	Field of Specialization
Mr. Rahul Sarin	1 of 1	30,000	Bachelor of Science and Law and a post-graduate degree in administrative services, UK	Bureaucrat
Mr. P. K. Malhotra (appointed as a Member w.e.f. 08.01.2021)	1 of 1	30,000	BA, LLB	Legal
Mr. Rakesh Jain	1 of 1	-	Chartered Accountant, ICWAI	Finance & Insurance
Mr. Anmol Ambani (ceased to be a Member w.e.f. 02.09.2020)	-	-	Diploma of International Baccalaureate and Bachelor of Science, UK	Finance

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year, the Company sunset the Stakeholders' Relationship Committee as the same was not mandatory.

#### 10. 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 &  
Chief Compliance Officer

## OPERATIONAL INITIATIVES

### Reinsurance

The Company has a well-structured Reinsurance Program supported by approved securities, spread across the globe, having a valid FRN for FY2020-21 issued by IRDAI. The Reinsurance Program for FY2020-21 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 the 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 and Information Technology

The Company is a leading-edge insurance company and has devised many tech initiatives designed keeping the customers in mind.

FY2020-21 was not an ordinary year. The COVID pandemic has been a time of extraordinary change and the Company had to rapidly change and adapt to the evolving situation. Early on during the onset of crises quickly moved towards enabling the Company's ecosystem towards Work From Home (WFH) in a record time. During COVID majority of customer interactions happened digitally therefore introduced new online products and brought about a series of tech innovations to simplify sales process and make those interactions seamless.

Amid a massive COVID surge some special health products were launched across the digital platforms. Introduced critical changes in Selfi mobile application immediately for ease of claim intimations for the customers. Technological adoption needs to combine with human values and focus on being customer-first always. That is why brand mascot 'BroBot' that embodies this culture and presents insurance with a fresh perspective to the customers in the new normal.

The Company has perused the path of new innovations to enable IoT Platform, Claims Intimation through AI driven speech bot on IVR. LIVE Video Contact Centre for commercial risk inspection.

### Personnel

#### Talent Management

As part of the Talent Management Initiative - *Program for Accelerated Career Enhancement (P.A.C.E.) – Building Careers Together*, in partnership with SHL, the Company's goal is to provide each individual an opportunity to take forward their individual careers. This is achieved by identifying and developing their skills through P.A.C.E Assessments & interventions that have been designed in alignment with the Company's strategic plan and business needs. It would help employees to maximize and align current performance to support organizational requirements and attain opportunities for role changes and enhancement.

#### Employee Engagement Activities survey

Annual Employee Engagement Activities survey was conducted to understand the pulse of the employees and gather feedback on the various employee engagement and communication initiatives conducted throughout the year. This year a holistic Training Initiatives and Feedback survey was conducted to gather employees' feedback on the Company's learning management system and various training programs and initiatives.

#### Employee Communication & Branding

Nurturing open communication and idea sharing is key to the Company's HR policy. Towards this quarterly CEO webcasts were conducted to promote two-way dialogue between employees and leadership. The Virtual Functional meets were also organized wherein all the members of a particular department connected with their leaders. Further, timely #KnowYourPolicy communications were released to ensure there is no confusion in times of remote working.

With consistent, targeted and interactive communications, **RGI Family on LinkedIn has now whopping 52000+ followers**, strengthening the #BrandRGI.

In the unprecedented difficult times of COVID, the Company has taken several steps to ensure that the employees are fully aware of the actions they must take to keep themselves and their community safe.

## Training Initiatives

The Company believes that continuous learning and development of the employees is a must to bring out their best performance. The Company has undertaken various training initiatives over a last year:

- This year was dedicated to leveraging digital mediums to improve our training penetration and coverage, and numerous new online modules were added to our online learning platform – iLearn Library & courses along with online assessments.
- A numerous technical and role-based trainings for skill were undertaken to move towards becoming a project-oriented organization.
- A specialized program conducted for all women employees on “Happiness Engineering” to help cultivate effective habits and help them better balance work from home.
- To foster a safe working environment, 5 Virtual Zone-wise awareness sessions on the Company’s Prevention of Sexual Harassment Policy (POSH) was conducted for all employees covering close to 2000 participants.

## Claims Handling

### Motor Claims

Within the global insurance industry, there is widespread recognition that the claims function occupies a unique place in determining an insurance company’s competitiveness. Claims service is where the insurance company is put to the test in terms of its ability to delight or disappoint the customer.

Claims professionals still spend majority of their time on activities that do not impact the outcome of the claim. To build durable competitive advantage through claims, performance need to embrace a holistic vision of a newly configured claims operation rather than isolated, occasional improvement initiatives.

These benefits include greater *internal efficiencies*, *lower operating costs* and *increased customer satisfaction*.

### Internal controls and efficiencies:

1. **Auto upgrading part price repository and Damage severity prediction** – Statistically developed model which guides on deviations in assessments by means of information on multiple damages, inconsistency in the line of impact and severity of the loss. The model also identifies the deviations in assessed part values and prompts appropriate applicable rates. The model is an independent functioning system, which auto upgrades the part rates.
2. **Labour store house, with leakage controller** – Robust and dynamic tariff management repository developed for various makes and models pertaining to labour schedules. The rates are validated through complex logics applicable basis policy type, sourcing mechanism and discounts extended by the network partners. The system also controls the processing of the deviated claims, which are not as per the guidelines.
3. **Real model price** – Fraud control tool which reverse validates the correct model/variant for the rates charged by the repairer in the invoice. It eliminates the fraud which is practiced by repairers to clear the old pending inventories of other models.
4. **Robotic Process Automation** – An initiative towards auto updating the assessment as per the estimates supplied by the repairers. The functionality uses a combination of “Optical Character Reading” and “Robotic Technology” to read and logically place the data in the required fields. It helps to instantly create the assessment, thereby supporting the claim assessor to work on claim technicalities.

### Customer experience:

5. **Straight through processing (STP)** - With the use of artificial intelligence (AI) technology, a rapid decrease in the end-to-end claim settlement time is achieved, which eliminates conventional insurance protocols and offers service delight. With the use of AI technology and automation, the entire claim process is squeezed to less than an hour. It instantly offers a work order without any human intervention.
6. **Motor Network Strength** - Our Cashless Network Garages has increased from 5,900 as on March 31, 2020 to 6,800+ as on March 31, 2021 providing a wider reach for our customers.

## Health Claims

As the whole world changed its shift towards health care trends due to COVID pandemic, the importance and priority towards health insurance and digitization significantly increased. Health Claims Team (RCare) accepted and adapted to the change quickly and strived towards embracing the change and make it best use for the customers.

**100% Digital Claim Processing:** The Company has been moving towards digitization even before COVID pandemic. This situation made the Company make use of its 100% digitally enabled claim processing platforms such as mobile App- Self-i, Pre-authorized network portals- provider portal, corporate portal and intimation enabled website and processed the claims right from intimation to approval through 100% digital mode.

**Claim Risk score card:** There are advantages and disadvantages over new initiative, like wise with the 100% digital claim processing the Company may face fraudulent activities from customers such as sharing fake documents, forgery etc. so to do away with such scenarios the Company initiated risk assessment tool with pre-programmed risk triggers. Through this tool every case will be allotted a score basis the trigger filtration and the low score cases will be shared to referral for further check.

These fraud risk management activities made the Company filter out the fraud cases without hampering the process.

**Automated Claim Processing - OCR & RPA:** A unique blend of OCR (Optical Character Recognition) which scan and reads the claim document and RPA (Robotic Process Automation) which auto process 50-60% of the cases without manual intervention. This technology auto populates claim details and auto approval few queues, thus, reducing the overall processing time with minimal errors and higher accuracy. This enhances data hygiene, helps in micro level data management which in return improves data analysis.

### Wellness Initiatives:

The Company has always maintained "Wellness" as a prime pillar to ensure the health and wellbeing of all stakeholders. The COVID pandemic has brought to fore the need for focusing on health more than ever before.

**COVID Risk Assessment:** With the aim to help individuals identify their risk of getting infected and to better manage the disease, COVID risk assessment tool was launched. With the help of a set of simple questions based on government guidelines, an individual can easily **calculate the probability of getting infected with the virus** and thereby take necessary precautions.

**RHealth Assist:** During the difficult times of fast spreading COVID pandemic and lockdowns, a platform was created to provide Online Doctor Consultations from the comfort of one's home. The application provides seamless online consultations through Video and Text chat with our panel of highly qualified doctors thereby helping make well-informed decisions about health issues and treatments without having to venture out or visit hospitals.

### Commercial Line Claims

This Financial Year came to unprecedented halt because of COVID pandemic and lockdown. However, the Company kept things proactively and positively and provided continued and uninterrupted claim services to our policyholders.

Due to this pandemic, the Company faced challenges like delay in intimations, limited availability of surveyors, limitation on quick accessibility to certain areas, non-availability of manpower, delayed reinstatement of affected property, unavailability of staff and closed offices leading to delayed submission of documents from insured's end.

Followings steps were taken by the Company to protect the policyholder's interest:

- The Company successfully implemented the Business Continuity Plan (BCP) and ensured timely processing of the claims even during this challenging time.
- The Company shifted from Physical to Virtual mode, designed SOPs and system to enable and facilitate quicker claim settlements.
- The surveys were conducted through virtual platforms.
- The Company positively considered the delay in intimation based on merits of the case. Soft copies of survey report and documents were considered to settle the claims.
- In case of large value claims, the Company proactively supported insured with interim claim payments so that insured can start reinstatement and their operations quickly.

Due to timely implementation of BCP the Company was able to handle five catastrophe events successfully i.e. Amphan, Nisarga, Nivar Cyclone, AP and Telangana floods.

The Customers have appreciated the efforts and many positive feedbacks are on record, reflecting their trust, comfort and confidence placed on the Company.

### Process and Certification

The Company has been successfully certified pan India for complying with the requirements of Quality Management Systems as per ISO 9001:2015 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 July 2022.

### Customer Service and Grievances Redressal Cell

With the new paradigm, the Company channelised its business flow and operational activities to online modes. Having a robust IT infrastructure meant the Company could support its customer needs via BOTs, WhatsApp, video, email, website along with its support professionals equipped with soft phone to ensure uninterrupted services imbining the true spirit of anywhere processing.

However, to enrich and deep-mine the connect with customers in the new era of social distancing a host of engagements were initiated, a few of them are:

1. Doctor/ Physician consultation online for customers at comfort of their home via video / text chat;
2. Online informative webinars and fitness sessions for Customers;
3. Free distribution of Face Mask and Sanitizers for more than 1500 farmers for their safety;
4. More than 16100 crop cutting exercise while creating awareness of social distancing and precautionary measures during the exercise;
5. Involving SHGs (Self Help Groups) and Women Groups to disseminate awareness about crop insurance; and
6. Standing for Tech+ Heart, the Company's brand mascot "BroBot" is winning hearts with a fresh perspective combining technology with humane values.

**MANAGEMENT REPORT ATTACHED TO THE FINANCIAL STATEMENT  
AS ON 31<sup>ST</sup> MARCH 2021**

- 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", "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.
- 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 Statement 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 2020-21**

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
<b>30 days</b>	66	2,28,294	691	15,075	-	-	7,717	5,20,414
<b>31 days to 6 Months</b>	338	5,57,408	184	1,82,255	1	450	5,649	6,36,328
<b>6 Months to 1 Year</b>	319	24,59,223	90	54,272	6	86,636	529	79,946
<b>1 Year to 5 Years</b>	613	28,43,324	244	2,05,121	14	1,84,700	865	77,490
<b>5 Years and Above</b>	182	3,09,706	85	2,27,587	1	25	774	57,577
<b>Grand Total</b>	<b>1,518</b>	<b>63,97,955</b>	<b>1,294</b>	<b>6,84,310</b>	<b>22</b>	<b>2,71,811</b>	<b>15,534</b>	<b>13,71,754</b>

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,414	5,70,430	20	8,478	105	13,403	3	429
31 days to 6 Months	4,293	13,99,735	120	1,33,674	281	43,858	17	2,250
6 Months to 1 Year	1,733	5,00,420	65	91,566	147	25,169	10	1,524
1 Year to 5 Years	27,869	84,85,369	350	3,99,998	764	1,02,022	590	63,478
5 Years and Above	22,590	74,97,675	579	2,25,016	242	24,243	144	45,999
<b>Grand Total</b>	<b>57,899</b>	<b>1,84,53,629</b>	<b>1134</b>	<b>8,58,732</b>	<b>1539</b>	<b>2,08,695</b>	<b>764</b>	<b>1,13,680</b>

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,70,194	22,02,841	2	6,412	174	38,598	115	6,098
31 days to 6 Months	3,492	3,35,111	7	14,795	519	51,809	127	41,801
6 Months to 1 Year	1,068	1,10,502	10	25,815	185	45,998	55	16,210
1 Year to 5 Years	1,241	1,36,273	9	6,568	655	1,23,823	165	46,249
5 Years and Above	107	4,276	10	680,211	159	25,394	80	1,70,772
<b>Grand Total</b>	<b>271,170</b>	<b>3,794,138</b>	<b>38</b>	<b>733,801</b>	<b>1692</b>	<b>2,85,622</b>	<b>542</b>	<b>2,81,130</b>

(₹ in '000)

Period / Class	Crop and Weather Insurance		Total	
	Count	Amount	Count	Amount
30 days	14,465	7,71,351	1,94,966	43,81,821
31 days to 6 Months	4,917	1,38,275	19,945	35,37,748
6 Months to 1 Year	1,293	17,773	5,510	35,15,056
1 Year to 5 Years	4,910	1,91,168	38,289	1,28,65,583
5 Years and Above	30	64,547	24,983	93,33,028
<b>Grand Total</b>	<b>25,615</b>	<b>11,83,114</b>	<b>2,83,693</b>	<b>3,36,33,236</b>

## FY 2019-20

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	113	125,839	61	24,758	1	128	9,054	356,117
31 days to 6 Months	273	1,027,609	115	156,782	3	2,818	6,652	614,690
6 Months to 1 Year	251	770,649	85	86,594	3	132,151	788	157,264
1 Year to 5 Years	579	3,006,286	269	243,056	13	24,930	893	78,985
5 Years and Above	83	181,880	33	90,635	1	25	709	48,069
<b>Grand Total</b>	<b>1299</b>	<b>5,112,263</b>	<b>563</b>	<b>601,825</b>	<b>21</b>	<b>160,052</b>	<b>18,096</b>	<b>1,255,125</b>

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	788	310,354	46	22,012	39	4,670	31	2,567
31 days to 6 Months	6,270	1,744,052	162	172,234	230	38,722	249	41,706
6 Months to 1 Year	5,873	1,652,482	90	287,513	167	25,735	135	17,419
1 Year to 5 Years	25,301	7,248,540	841	1,487,492	779	67,517	456	70,740
5 Years and Above	20,962	6,489,633	53	42,694	51	13,168	108	37,743
<b>Grand Total</b>	<b>59,194</b>	<b>17,445,061</b>	<b>1,192</b>	<b>2,011,945</b>	<b>1,266</b>	<b>149,812</b>	<b>979</b>	<b>170,175</b>

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	265,091	3,446,417	1	3,520	138	13,460	86	59,358
31 days to 6 Months	3,817	178,018	4	4,641	422	69,237	179	23,986
6 Months to 1 Year	712	48,201	4	46,196	293	34,508	92	32,244
1 Year to 5 Years	1,446	117,577	6	8,017	589	110,703	107	31,617
5 Years and Above	104	3,925	10	683,276	186	23,270	647	363,688
<b>Grand Total</b>	<b>271,170</b>	<b>3,794,138</b>	<b>25</b>	<b>745,650</b>	<b>1,628</b>	<b>251,178</b>	<b>1,111</b>	<b>510,893</b>

(₹ in '000)

Period / Class	Crop and Weather Insurance		Total	
	Count	Amount	Count	Amount
30 days	15	559,033	275,464	4,928,232
31 days to 6 Months	350	8,128	18,726	4,082,621
6 Months to 1 Year	294	5,224	8,787	3,296,179
1 Year to 5 Years	5302	394,316	36,581	12,889,775
5 Years and Above	22	49,903	22,969	8,027,909
<b>Grand Total</b>	<b>5,983</b>	<b>1,016,604</b>	<b>362,527</b>	<b>33,224,716</b>

**FY 2018-19**

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	49	1,02,597	59	21,181	1	600	10,337	3,53,331
31 days to 6 Months	278	8,58,469	156	1,46,117	2	613	6,529	5,76,476
6 Months to 1 Year	146	10,41,555	70	3,08,073	5	1,115	765	1,20,839
1 Year to 5 Years	442	25,46,174	215	2,14,945	11	56,778	945	63,620
5 Years and Above	59	91,531	30	80,121	1	25	744	47,114
<b>Grand Total</b>	<b>974</b>	<b>46,40,326</b>	<b>530</b>	<b>7,70,437</b>	<b>20</b>	<b>59,131</b>	<b>19,320</b>	<b>11,61,380</b>

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,157	3,61,036	46	25,322	44	5,646	1	-
31 days to 6 Months	5,714	14,78,813	149	3,84,243	175	25,140	42	6,178
6 Months to 1 Year	5,367	13,70,208	42	9,12,327	128	16,095	65	7,908
1 Year to 5 Years	27,679	73,12,713	820	4,76,688	610	58,113	413	72,542
5 Years and Above	22,615	62,50,270	47	22,105	36	11,076	68	32,346
<b>Grand Total</b>	<b>62,532</b>	<b>167,73,040</b>	<b>1,104</b>	<b>18,20,685</b>	<b>993</b>	<b>1,16,070</b>	<b>589</b>	<b>1,18,974</b>

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,55,413	18,22,385	-	-	146	17,812	91	6,551
31 days to 6 Months	2,812	1,69,128	2	1,600	410	57,209	109	45,868
6 Months to 1 Year	320	24,285	1	98	256	21,861	35	20,127
1 Year to 5 Years	580	46,482	2	2,649	763	1,06,681	127	1,04,425
5 Years and Above	174	5,198	10	6,78,835	240	24,041	597	2,76,324
<b>Grand Total</b>	<b>1,59,299</b>	<b>20,67,479</b>	<b>15</b>	<b>6,83,182</b>	<b>1815</b>	<b>2,27,604</b>	<b>959</b>	<b>4,53,295</b>

(₹ in '000)

Period / Class	Crop and Weather Insurance		Total	
	Count	Amount	Count	Amount
30 days	35	6,12,305	1,67,379	33,28,764
31 days to 6 Months	3,357	14,221	19,735	37,64,076
6 Months to 1 Year	3,801	14,907	11,001	38,59,398
1 Year to 5 Years	3,563	4,44,618	36,170	1,15,06,428
5 Years and Above	9	14,864	24,630	75,33,850
<b>Grand Total</b>	<b>10,765</b>	<b>11,00,915</b>	<b>2,58,915</b>	<b>2,99,92,516</b>

## FY 2017-18

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	59	90,075	80	9,611	5	13,053	5,915	1,78,700
31 days to 6 Months	231	8,47,976	139	81,694	6	21,129	5,812	2,95,384
6 Months to 1 Year	104	8,73,006	68	56,270	3	58,055	817	82,127
1 Year to 5 Years	354	21,08,331	224	7,73,065	1	1,369	1,037	75,310
5 Years and Above	47	85,825	33	26,243	1	25	811	57,679
<b>Grand Total</b>	<b>795</b>	<b>40,05,213</b>	<b>544</b>	<b>9,46,883</b>	<b>16</b>	<b>93,631</b>	<b>14,392</b>	<b>6,89,200</b>

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,112	3,36,014	40	18,661	17	1,671	9	550
31 days to 6 Months	5,605	13,27,313	73	84,955	120	15,352	89	17,123
6 Months to 1 Year	5,625	13,44,225	64	91,184	83	13,665	58	6,043
1 Year to 5 Years	29,995	74,28,454	825	4,76,707	473	45,796	302	59,558
5 Years and Above	22,489	54,82,100	44	10,957	32	8,006	43	21,974
<b>Grand Total</b>	<b>64,826</b>	<b>1,59,18,106</b>	<b>1,046</b>	<b>6,82,464</b>	<b>725</b>	<b>84,490</b>	<b>501</b>	<b>1,05,248</b>

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,73,654	13,78,432	1	1,000	146	39,737	105	8,454
31 days to 6 Months	1512	64,646	-	-	406	61,095	104	28,400
6 Months to 1 Year	221	15,466	1	8,285	337	39,870	31	9,464
1 Year to 5 Years	392	27,619	5	3,726	913	1,06,675	314	2,34,864
5 Years and Above	148	4,194	9	7,15,559	250	19,917	471	1,60,049
<b>Grand Total</b>	<b>1,75,927</b>	<b>14,90,357</b>	<b>16</b>	<b>7,28,570</b>	<b>2,052</b>	<b>2,67,294</b>	<b>1,025</b>	<b>4,41,231</b>

(₹ in '000)

Period / Class	Crop and Weather Insurance		Total	
	Count	Amount	Count	Amount
30 days	1	1,14,827	1,81,144	21,90,785
31 days to 6 Months	84	5,879	14,181	28,50,946
6 Months to 1 Year	63	4,364	7,475	26,02,024
1 Year to 5 Years	493	9,20,786	35,328	1,22,62,261
5 Years and Above	1	0	24,379	65,92,528
<b>Grand Total</b>	<b>642</b>	<b>10,45,857</b>	<b>2,62,507</b>	<b>2,64,98,544</b>

**FY 2016-17**

(₹ in '000)

Period / Class	Fire		Marine Cargo		Marine Hull		Motor OD	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	58	85,004	139	21,908	1	10	5,893	186,239
31 days to 6 Months	256	2,426,045	388	222,505	-	-	5,131	341,619
6 Months to 1Year	179	1,776,917	237	44,373	-	191	845	121,102
1 Year to 5 Years	286	1,078,015	226	768,747	1	1,624	1,489	117,379
5 Years and Above	51	83,438	28	26,054	2	44	706	50,258
<b>Grand Total</b>	<b>830</b>	<b>5,449,418</b>	<b>1,018</b>	<b>1,083,587</b>	<b>4</b>	<b>1,869</b>	<b>14,064</b>	<b>816,596</b>

(₹ in '000)

Period / Class	Motor-TP		Engineering		Liability		Public Liability	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	1,424	360,869	34	13,563	22	1,705	13	815
31 days to 6 Months	5,385	1,197,232	282	125,278	94	8,730	71	5,799
6 Months to 1 Year	6,454	1,395,511	119	231,460	112	9,929	114	18,209
1 Year to 5 Years	34,861	8,244,276	639	424,409	334	36,112	159	46,868
5 Years and Above	19,923	4,160,178	21	8,123	26	6,521	13	14,784
<b>Grand Total</b>	<b>68,047</b>	<b>15,358,066</b>	<b>1,095</b>	<b>802,834</b>	<b>588</b>	<b>62,997</b>	<b>370</b>	<b>86,475</b>

(₹ in '000)

Period / Class	Health		Aviation		Personal Accident		All Other Misc	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount
30 days	43,282	681,480	1	1,200	213	47,326	177	8,217
31 days to 6 Months	1,081	44,508	2	12,334	704	159,992	275	22,255
6 Months to 1 Year	145	18,486	-	-	482	65,263	57	16,698
1 Year to 5 Years	400	93,321	5	10,497	1,145	118,175	560	316,132
5 Years and Above	164	3,314	8	716,251	224	19,369	258	68,181
<b>Grand Total</b>	<b>45,072</b>	<b>841,109</b>	<b>16</b>	<b>740,282</b>	<b>2,768</b>	<b>410,124</b>	<b>1,327</b>	<b>431,482</b>

(₹ in '000)

Period / Class	Crop and Weather Insurance		Total	
	Count	Amount	Count	Amount
30 days	1	102,628	51,258	1,510,965
31 days to 6 Months	15	27,352	13,684	4,593,649
6 Months to 1 Year	324	340,348	9,068	4,038,488
1 Year to 5 Years	173	782,177	40,278	12,037,730
5 Years and Above	-	-	21,424	5,156,515
<b>Grand Total</b>	<b>513</b>	<b>1,252,507</b>	<b>135,712</b>	<b>27,337,348</b>

**Average claims settlement time**

Product/ Class	FY 2020-21		FY 2019-20		FY 2018-19		FY 2017-18		FY 2016-17	
	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	2,073	156	1,853	159	1,549	143	1,816	146	1,330	196
Marine Cargo	5,906	39	8,607	27	5,461	28	252	67	5,613	53
Marine Hull	3	601	2	374	5	271	12	105	2	89
Motor OD <sup>4</sup>	1,86,030	14	2,71,174	14	2,47,598	15	2,27,751	49	2,22,064	27
Engineering	808	156	762	139	729	110	1,093	128	874	135
Liability	369	184	208	231	222	200	238	224	332	244
Public Liability	4	1,242	4	65	-	-	7	45	7	897
Health- <sup>2</sup> Govt Approved Scheme	5,57,178	1	10,31,182	1	7,26,371	1	6,68,772	1	1,87,457	1
Health - <sup>3</sup> Other	93,776	22	1,30,670	16	1,11,946	16	1,43,993	13	76,780	23
Aviation	6	543	1	189	1	347	3	368	4	2,150
Personal Accident	935	189	1,422	184	1,587	154	2,953	348	3,967	852
All Other Misc	7,16,151	1	1,47,005	2	3,49,443	4	2,35,408	2	3,129	59
<b>Total</b>	<b>1,563,239</b>		<b>15,92,890</b>		<b>14,44,912</b>		<b>5,01,559</b>		<b>5,01,559</b>	

Notes: 1. The above average claims settlement time does not include Third Party claims which have to be 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 calculated considering cashless arrangement as same day settlement.

4. Average settlement time for Motor OD claims is calculated 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, except for investments held in IL&FS, Reliance Capital Limited and Reliance Home Finance Limited (Refer note 27 of schedule 17 of the financial statement).

12) We also confirm:

- in the preparation of financial statement, 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/Insurance Laws (Amendment) Act 2015 (to the extend notified) / Companies Act, 1956 & Companies Act, 2013(to the extend applicable) , for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the management has prepared the financial statement 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.

- 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	<b>Chhaya Virani</b>	Reliance Capital Limited	Director	Management Fees Paid	60,000
				Reimbursement paid for IT services	20,587
		Reliance Home Finance Limited	Director	Claims Paid	3
		Sasan Power Limited	Director	Claims Paid	82,131
2	<b>Rajendra Chitale</b>	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	Director	Group Term Insurance Paid	10,572
3	<b>Anil Ambani</b>	Reliance Capital Limited	Director	Management Fees Paid	60,000
				Reimbursement paid for IT services	20,587
		Reliance Communication Limited	Member	Reimbursement paid	24,215
		Reliance Infrastructure Limited	Member	Reimbursement paid	53,189
		Reliance Home Finance Limited	Member	Claims Paid	3
Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	Director	Group Term Insurance Paid	10,572		
4	<b>Thomas Mathew</b>	Reliance Capital Limited	Director	Management Fees Paid	60,000
				Reimbursement paid for IT services	20,587
		Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	Director	Group Term Insurance Paid	10,572
5	<b>Rahul Sarin</b>	Reliance Capital Limited	Director	Management Fees Paid	60,000
				Reimbursement paid for IT services	20,587

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

**Dr.Thomas Mathew**  
Director (DIN:05203948)  
Place:Gurugram

**Mr.Rahul Sarin**  
Director (DIN:02275722)  
Place:Gurugram

**Rakesh Jain**  
Executive Director & CEO  
(DIN:03645324)

**Hemant K. Jain**  
Chief Financial Officer

**Mohan Khandekar**  
Company Secretary & Chief Compliance officer  
(Membership No. A8515)

Place:Mumbai  
Date: May 07,2021

## INDEPENDENT AUDITORS' REPORT

To the Members of Reliance General Insurance Company Limited on the Financial Statements for the year ended March 31, 2021

### Qualified Opinion

1. We have jointly audited the financial statements of Reliance General Insurance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the related Revenue Accounts of the Fire, Marine & Miscellaneous Businesses (also called the "Policyholders' Accounts" or the "Technical Accounts"), the Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and Receipts and Payments Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in accordance with the requirements of the Insurance Act, 1938 (the "Insurance Act"), 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") and the Companies Act 2013 ("the Act"), to the extent applicable and in the manner so required, and except for the indeterminate effects of the matter given in the Basis for Qualified Opinion Section below, 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, 2021;
  - (b) in the case of the Revenue Accounts, of the operating profit/(loss) 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.

### Basis for Qualified opinion

3. We draw your attention to Schedules 8 and 8A and Refer Note 27 (ii) of Schedule 17 of the financial statements regarding the Company's investments in Non-convertible debentures' (NCD) of ₹ 1,299,412 thousand in Reliance Capital Limited (RCL) as at March 31, 2021. These investments are being valued at amortised cost as prescribed by the IRDA Regulations and valuation policy approved by the Board of Directors. The Company is carrying provision of 30% against total investment in RCL amounting to ₹389,823 thousand. As Credit ratings of these investments are standing at D and the investee Company has defaulted in repayment of interest and principal on due dates, the impact, if any, on the potential diminution in the value of these investments is presently not ascertainable.
4. We conducted our audit in accordance with the Standards on Auditing (the "SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the Insurance Act, the IRDA Act, the Regulations, the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Appropriateness of Revenue Recognition in relation to Crop Insurance Premium</b></p> <p>(Refer note no. 4(a) of Schedule 16 to the financial statements)</p> <p>The Company has earned net premium of ₹5,603,272 thousand relating to crop insurance for the year ended March 31, 2021, which is a significant component of Company's premium income.</p> <p>As an empaneled insurance company for implementing the Government Scheme for crop insurance, the Company recognizes revenue which includes the share of the Central Government and State Government respectively, based on the acceptance of the farmers proposals received from the Nodal Banks of the respective areas.</p> <p>Appropriateness of revenue recognition relating to crop insurance premium has been determined to be a key audit matter as this is dependent on whether the criteria for acceptance of the proposals received by the Company (type of crop covered, area etc.), are as per the bid awarded to the Company by the State during the empanelment process.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understanding, evaluating and testing the design and operating effectiveness of the process and key controls around revenue recognition for crop insurance premium.</li> <li>• Performing tests of details, on a sample basis, to assess whether the criteria for acceptance of proposals in accordance with the bid have been evaluated by the Company prior to recognition of revenue;</li> <li>• Verifying the books and records (for instance inter office communications from teams performing the activities in relation to underwriting) to check the completeness of revenue recognised.</li> <li>• Testing sample of manual accounting journals relating to revenue to identify unusual or irregular items, if any.</li> <li>• Agreeing the above journals tested to corroborative evidence such as declaration from the farmers.</li> <li>• Evaluating adequacy of disclosures in the financial statements</li> </ul>
<p><b>Assessment of contingencies relating to certain matters pertaining to service tax</b></p> <p>(Refer note 1 on Schedule 17 to the financial statement)</p> <p>The Company has received various demands and show cause notices, mostly industry specific, from the tax authorities department in respect of matters such as service tax applicability on reinsurance commission and wrong availment of CENVAT Credit.</p> <p>The management, with the help of its tax expert as needed, have made judgments relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability.</p> <p>We therefore focused on this area as a result of uncertainty and potential material impact.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood Management's process and control for determining tax litigations and its appropriate accounting and disclosure.</li> <li>• testing key controls surrounding litigation, regulatory and tax procedures;</li> <li>• Involved tax experts to gain an understanding of the current status of the tax cases and monitored changes in disputes to establish that the tax provisions have been appropriately adjusted to reflect the latest external developments;</li> <li>• Where relevant, read the external legal opinions obtained by management;</li> <li>• Discussed pending matters with the Company's legal counsel and management's tax experts;</li> <li>• Assessed management's conclusions through understanding precedents set in similar cases and corroborating it by involving tax experts;</li> <li>• Assessed the adequacy of presentation and disclosure in the financial statements.</li> </ul>

### Other Matters

6. The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER), Premium Deficiency Reserve (PDR) & Unexpired Risk Reserve (URR) is the responsibility of the Company's Appointed Actuary. The actuarial valuation of these liabilities as at March 31, 2021, has been duly certified by the Appointed Actuary. The Appointed Actuary has also certified that in their opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by IRDAI and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Company's Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

7. In accordance with the requirements of SA 299 (Revised), Joint Audit of Financial Statements [SA 299 (Revised)], we have communicated to the Audit Committee, vide our letter dated June 25, 2020, our joint responsibilities and the allocation of work between us for the statutory audit of the Company. As per the requirements of the SA 299 (Revised), each joint auditor shall be responsible only for the work allocated to each joint auditor and in line with paragraph 18 of the aforesaid Standard, each auditor has relied on the conclusions reached on areas covered by each of them respectively, except for areas covered jointly and matter described in the Basis for Qualified Opinion for Company's investment in Reliance Capital Limited and Reliance Home Finance Limited.

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

#### **Other Information**

8. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the "the Management Report" and "Director's report", but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

#### **Responsibilities of management for the financial statements**

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone 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, as amended by Insurance Laws (Amendment) Act, 2015, read with the IRDA Act, the Regulations, order/ directions issued by the 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 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of an audit in accordance with the SAs [including the requirements of SA 299 (Revised)], we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance regarding, among other matters, the planned scope, allocation of work and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other legal and regulatory requirements

16. As required by the Regulations, we have issued a separate certificate dated May 6, 2021, certifying the matters specified in paragraphs 3 and 4 of Schedule C to the Regulations.
17. Further, to our comments in the Certificate referred to above, as required under the Regulations, read with Section 143 (3) of the Act, we report that:
- a) We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion 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 Account, 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, except for the matter described in the Basis for Qualified Opinion Section above, investments have been valued in accordance with the provisions of the Insurance Act and the Regulations and/or orders/directions 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, except for the matter described in the Basis for Qualified Opinion Section above the accounting policies selected by the Company are appropriate and are in compliance with the Accounting Standards referred to in Section 133 of Act, 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, except for the matter described in the Basis for Qualified Opinion Section above the Balance Sheet, the Revenue Account, 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 Act, to the extent they are not inconsistent with the accounting principles prescribed in the s 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, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164 (2) of the Act;
- i) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion Section above.
- j) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”; and
- k) 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 information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 1 on Schedule 17 to the financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; (Refer Note XXX to the financial statements);
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv. With respect to the other matters to be included in the Auditor’s report, in terms of the requirements of Section 197(16) of the Act, we report that managerial remuneration payable to the Company’s Directors is governed by the provisions of Section 34A of the Insurance Act, 1938 and requires approval of IRDAI. Accordingly, the managerial remuneration limits specified under Section 197 of the Act do not apply.

**For Pathak H. D. & Associates LLP**  
Firm Registration No. 107783W/W100593  
Chartered Accountants

**For Uttam Abuwala Ghosh & Associates**  
Firm Registration No. 111184W  
Chartered Accountants

**Vishal D. Shah**  
Partner  
Membership No. 119303  
UDIN: 21119303AAAAJQ8271

**Ajay Singh Chauhan**  
Partner  
Membership No. 137918  
UDIN: 21137918AAAAABD1067

Date: May 7, 2021  
Place: Mumbai

Date: May 7, 2021  
Place: Mumbai

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 18 (j) of the Independent Auditors' Report of even date to the members of Reliance General Insurance Company Limited on the financial statements for the year ended March 31, 2021

### Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Reliance General Insurance Company Limited ("the Company") as of March 31, 2021 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

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

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system with reference to financial statements.

#### Meaning of Internal Financial Controls with reference to financial statements

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

#### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Basis for Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified as of March 31, 2021:

The company's operation of financial controls over valuation of investment and assessment of impairment provision thereof of the certain investee companies. These investments were being valued at amortized cost as prescribed by the IRDA Regulations and valuation policy approved by the Board of Directors. (Refer the Basis of Qualified opinion paragraph in our main audit report)

9. A material weakness is a deficiency or a combination of deficiencies, in internal control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected in a timely basis.

### Qualified Opinion

10. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements as of March 31, 2021 based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and, except for the possible effects of the material weakness described in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as of March 31, 2021.

11. We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied for our audit of financial statements of the Company for the year ended March 31, 2021, and the material weakness affects our opinion on the financial statements of the Company (refer the Basis of Qualified Opinion paragraph in our main audit report).

### Other Matter

12. The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER), Premium Deficiency Reserve (PDR) & Unexpired Risk Reserve (URR) is the responsibility of the Company's Appointed Actuary. The actuarial valuation of these liabilities as at March 31, 2021, has been duly certified by the Appointed Actuary. The Appointed Actuary has also certified that in their opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by IRDAI and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Company's Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company. (Refer Other Matter Paragraph of our main Audit Report) Accordingly, our opinion on the internal financial controls with reference to financial statements does not include reporting on the operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation.
13. In accordance with the requirements of SA 299 (Revised), Joint Audit of Financial Statements [SA 299 (Revised)], we have communicated to the Audit Committee, vide our letter dated September 26, 2019, our joint responsibilities and the allocation of work between us for the statutory audit of the Company. As per the requirements of the SA 299 (Revised), each joint auditor shall be responsible only for the work allocated to each joint auditor and in line with paragraph 18 of the aforesaid Standard, each auditor has relied on the conclusions reached on areas covered by each of them respectively, except for areas covered jointly and matter described in the Basis for Qualified Opinion for Company's investment in Infrastructure Leasing & Financial Services Limited, Reliance Home Finance Limited and Reliance Capital Limited. (Refer Other Matter Paragraph of our main Audit Report)

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

#### For Pathak H. D. & Associates LLP

Firm Registration No. 107783W/W100593  
Chartered Accountants

#### Vishal D. Shah

Partner  
Membership No. 119303  
UDIN: 21119303AAAAJQ8271

Date: May 7, 2021  
Place: Mumbai

#### For Uttam Abuwala Ghosh & Associates

Firm Registration No. 111184W  
Chartered Accountants

#### Ajay Singh Chauhan

Partner  
Membership No. 137918  
UDIN: 21137918AAAABD1067

Date: May 7, 2021  
Place: Mumbai

## ANNEXURE B

June 25, 2020

The Audit Committee,  
Reliance General Insurance Company Limited

Dear Sirs,

Re: Allocation of work between joint auditors of Reliance General Insurance Company Limited in relation to the Statutory Audit for the year ending March 31, 2021 and audit/limited review for the periods ending June 30, 2020, September 30, 2020 and December 31, 2020.

We are attaching our letter that sets out our joint responsibilities and the allocation of work, between us, for the statutory audit of Reliance General Insurance Company Limited for the year ending March 31, 2021 and audit/limited review for the periods ending June 30, 2020, September 30, 2020 and December 31, 2020.

Yours faithfully,

For **Uttam Abuwala Ghosh & Associates**

*Chartered Accountants*

Firm Regn. No. 111184W

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

*Chartered Accountants*

Firm Regn. No. 107783W/W100593

**AjaySingh Chauhan**

Partner

**Vishal D. Shah**

Partner

**cc: Mr. Hemant Jain**

(Chief Financial Officer)

## STATEMENT OF JOINT RESPONSIBILITIES OF AUDITORS

### 1. INTRODUCTION:

M/s Uttam Abuwala Ghosh & Associates (UAG) and M/s Pathak H. D. & Associates LLP (PHD) have been appointed as the joint auditors for the purpose of conducting the statutory audit of Reliance General Insurance Company Limited (the Company') for the Financial Year 2020-21.

The allocation of work areas between the joint auditors, as mutually agreed, has been annexed herewith (Annexure 1). The joint auditors would be mutually and jointly responsible for the overall compilation of financial statements and corporate and secretarial matters.

### 2. INTER-SE ALLOCATION OF RESPONSIBILITIES AND WORK:

As per mutual discussions between UAG and PHD (hereinafter jointly referred to as 'the Joint Auditors'), the responsibility for the work to be performed, has been delineated. In terms of SA299 (Revised) 'Joint Audit of Financial Statements' issued by the Institute of Chartered Accountants of India, it has been mutually decided between both the joint auditors as follows:

- a) Each of joint auditors is expected to discuss and develop amongst themselves a joint audit plan after considering the results of preliminary engagement activities and, where applicable, whether knowledge gained on other or similar engagements performed earlier by the respective engagement partner(s) for the entity is relevant.
- b) Where, in the course of his work, any of the joint auditors comes across matters which are relevant to the areas of responsibility of the other joint auditor, and which deserve his attention, or which requires disclosure or requires discussion with, or application of judgment by the other joint auditor, they would communicate the same to the other joint auditor in writing prior to completion of audit/limited review. Such matters would include but not limited to compliance of IRDAI rules, regulations, and circulars and matters to be reported to the Audit Committee.
- c) Each of joint auditors shall consider, assess and communicate to other joint auditor the risks of material misstatement and document whether pertaining to overall financial statement level or to the area of allocation among the other joint auditor. As audit/limited review is being done quarterly basis, each of the Joint Auditor's will communicate the materiality levels to each other on quarterly basis.
- d) The joint auditors shall obtain common engagement letter and management representation letter.
- e) The joint auditors are jointly and severally responsible for:
  - i. in respect of the audit work which is not divided among the joint auditors and is carried out by both of them;
  - ii. in respect of decisions taken by both the joint auditors relating to audit work which is not divided amongst them, concerning the nature, timing or extent of the audit procedures to be performed by any of the joint auditors. It may, however, be clarified that both the joint auditors are jointly and severally responsible only in respect of the appropriateness of the decisions concerning the nature, timing or extent of the audit procedures agreed upon among them; proper execution of these audit procedure is the separate and specific responsibility of the joint auditor concerned. In other words, each joint auditor is responsible only for the work allocated to him, whether or not he has prepared a separate report on the work performed by him.
  - iii. in respect of the matters which are brought to the notice of the joint auditors by any one of them and on which there is an agreement among the joint auditors;
  - iv. for examining that the financial statements of the entity comply with disclosure requirements of the relevant statute and applicable financial reporting framework; and
  - v. issuance of common audit report and ensuring that the audit report complies with the requirements of the relevant statute the applicable Standards on Auditing and other relevant pronouncement issued by ICAI. However, where the joint auditors are in disagreement with regard to the opinion or any matters to be covered by the audit report, they shall express their opinion in a separate audit report. A joint auditor is not bound by the views of another joint auditor regarding the opinion or matters to be covered in the audit report and shall express opinion formed by the said joint auditor in separate audit report in case of disagreement. In such circumstances, the audit report issued by the joint auditor shall make a reference to the separate audit report issued by the other joint auditor.

Further, separate audit report shall also make reference to the audit report issued by other joint auditor. Such reference shall be made under the heading "Other Matter Paragraph" as per Revised SA 706, "Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report", .

- vi. For issuing opinion on Internal Financial control under clause (i) of sub-section 3 of section 143 of the companies act 2013.
- vii. When the joint auditors expect to modify the opinion in the auditor's report, the joint auditors are commonly responsible to communicate with those charged with governance the circumstances that led to the expected modification and the proposed wording of the modification to ensure compliance with Revised SA 705, "Modifications to the Opinion in the Independent Auditor's Report". If the joint auditors expect to include an Emphasis of Matter or an Other Matter paragraph in the auditor's report, the joint auditors shall communicate with those charged with governance regarding this expectation and the proposed wording of this paragraph to ensure compliance with Revised SA 706, "Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report".
- e) The joint auditors shall discuss and document the nature, timing, and the extent of the audit procedures for common and specific allotted areas of audit to be performed by each of the joint auditors and the same shall be communicated to those charged with governance.
- f) Each joint auditor is entitled to assume that the other joint auditor has carried out his part of the audit work in accordance with generally accepted audit procedures. It is not necessary for a joint auditor to review the work performed by the other joint auditor or perform any tests in order to ascertain whether the work has actually been performed in such a manner. Each joint auditor is entitled to assume that the other joint auditor have brought to said joint auditor's notice any departure from applicable financial reporting framework or significant observations that are relevant to their responsibilities noticed in the course of the audit.
- g) Each of the joint auditors confirms that there are no independence issues as regards their appointment / functioning as the statutory auditors of the Company is concerned.
- h) Each of the joint auditors of company, in course of performance of his duties as auditor, has reason to believe that an offence involving fraud is being or has been committed against the company by officers or employee of the company, shall discuss each other before forwarding his report to the Board or Audit Committee or Central Government.

Yours Faithfully,

**For Uttam Abuwala Ghosh & Associates**

*Chartered Accountants*

Firm Regn. No. 111184W

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

*Chartered Accountants*

Firm Regn. No. 107783W/W100593

**Ajay Singh Chauhan**

Partner

**Vishal D. Shah**

Partner

Place: Mumbai

Date: June 25, 2020

**ANNEXURE 1**  
**REVENUE ACCOUNT**

Particulars	UAG	PHD
<b>INCOME</b>		
<b>Premiums earned – net</b>		
-Gross Written	√	
-Reinsurance	√	
Profit/Loss on sale/redemption of Investments (net)		√
Interest, Dividend and Rent – Gross		√
Exchange Gain		√
Misc Income		√
<b>TOTAL (A)</b>		
<b>EXPENDITURE</b>		
<b>Claims Incurred (Net)</b>		
-Direct Business		√
-Reinsurance		√
<b>Commission &amp; Brokerage</b>		
-Direct	√	
-Reinsurance	√	
Operating Expenses related to Insurance Business		
-Other than payroll ( <b>Schedule 4</b> )		√
-Payroll ( <b>Schedule 4</b> )		√
<b>TOTAL (B)</b>		
Operating Profit/Loss transferred to P&L Account	√	√

**PROFIT & LOSS ACCOUNT**

Particulars	UAG	PHD
<b>Operating Profit transferred from Revenue Account</b>		
Fire Insurance	√	
Marine	√	
Miscellaneous	√	
<b>Income From Investments (relating to shareholders funds)</b>		
Interest, Dividend & Rent – Gross		√
Profit on sale/redemption of investments		√
Less: Loss on redemption of investments		√
Profit/Loss on sale of assets	√	
Miscellaneous Income		√
Expenses other than those related to insurance business	√	√
Corporate Social Responsibility	√	
<b>TOTAL (A)</b>		

Particulars		UAG	PHD
<b>Provisions (other than taxation)</b>			
For diminution in the value of investments			√
<b>Other Expenses</b>			
Preliminary Expenses written off	NA		
<b>TOTAL (B)</b>			
<b>Profit before taxes</b>		√	√
<b>Provision for taxation</b>			
-Current Tax		√	√
-Taxation relating to previous year		√	√
-Deferred Tax		√	√
<b>Net Profit after tax</b>		√	√
Add: Balance b/f from last year		√	√
Balance carried forward to balance sheet		√	√
Basic and diluted EPS			√

## BALANCE SHEET

		UAG	PHD
<b>SOURCES OF FUNDS</b>			
Share Capital (Schedule 5 & 5A)			√
Reserves and Surplus (Schedule 6)			√
Share Application Money pending Allotment			√
Deferred Tax		√	√
Fair Value Change Account			√
Borrowings			√
<b>TOTAL</b>			
<b>APPLICATION OF FUNDS</b>			
Investments (Schedule 8)			√
Fixed Assets (Schedule 10)		√	
Deferred Tax		√	√
Current Assets		√	√
-Cash and Bank Balances (Schedule 11)		√	
-Advances and Other Assets (Schedule 12)		√	√
<b>Sub-Total (A)</b>			
Current Liabilities (Schedule 13)		√	√
Provisions (Schedule 14)		√	√
<b>Sub-Total (B)</b>			
<b>Net Current Assets (C) = (A – B)</b>		√	√
Miscellaneous Expenditure (to the extent not written off or adjusted) (Schedule 15)	NA		
<b>TOTAL</b>			

**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS (Schedule 4)**

	Particulars	UAG	PHD
1.	Employees' remuneration & welfare benefits		√
2.	Companies contribution to PF and others		√
3.	Staff Welfare		√
4.	Travel, conveyance and vehicle running expenses		√
5.	Rents, rates & taxes		√
6.	Repairs		√
7.	Printing & stationery		√
8.	Communication expenses		√
9.	Legal & professional charges		√
10.	Directors Sitting fee		√
11.	Auditors' fees, expenses etc:		√
	a) As auditor		
	b) as adviser or in any other capacity, in respect of		
	(i) Taxation matters		
	(ii) Insurance matters		
	(iii) Management services; and		
	c) in any other capacity		
12.	Advertisement and publicity		√
13.	Interest & Bank Charges		√
14.	Entertainment Expenses		√
15.	Office Maintenance Expenses		√
16.	Office Management Expenses		√
17.	Recruitment & Training Expenses		√
18.	Depreciation	√	
19.	Subscription and Membership fees		√
20.	Coinsurance Expenses(Net)	√	
21.	Miscellaneous Expenses		√
22.	GST/Service Tax Expenses	√	

**CASH & BANK BALANCES (Schedule 11)**

	Particulars	UAG	PHD
1.	Cash (including cheques, drafts and stamps on hand)	√	
2.	Bank balances	√	
	-Current Accounts	√	
	-Cheques on Hand	√	

**ADVANCES AND OTHER ASSETS (Schedule 12)**

	Particulars	UAG	PHD
	<b>ADVANCES &amp; OTHER ASSETS</b>		
	<b>ADVANCES</b>		
1.	Reserve deposits with ceding companies	√	
2.	Application money for investments		√
3.	Prepayments		√
4.	Advances to Officers/Directors		√
5.	Advance tax paid and taxes deducted at source		√
6.	MAT Credit Entitlement	√	√
7.	Deferred Commission	√	
	Others		√
	<b>OTHER ASSETS</b>		
1.	Income accrued on investments		√
2.	Outstanding Premiums	√	
3.	Agents' Balances	√	
4.	Foreign Agencies balances	√	
5.	Due from other entities carrying on insurance business	√	
6.	Due from subsidiaries/holding companies	√	√
7.	Deposit with Reserve Bank of India	√	√
8.	Service Tax unutilized		

**CURRENT LIABILITIES (Schedule 13)**

	Particulars	UAG	PHD
1.	Agents' Balances	√	
2.	Balances due to other insurance companies	√	
3.	Deposits held on reinsurance ceded	√	
4.	Premiums received in advance	√	
5.	Unallocated Premium	√	
6.	Sundry creditors		√
7.	Due to subsidiaries/holding companies	√	√
8.	Claims Outstanding		√
9.	Due to officers/directors		√
10.	<u>Others</u>		
	Unclaimed Amount of Policyholders	√	
	<b>Environmental Relief Fund Payable</b>	√	
	Service Tax Liability	√	
	Temporary Bank Overdraft	√	
	Employee Related payables		√
	Statutory Dues		√

## PROVISIONS (Schedule 14)

	Particulars	UAG	PHD
1.	Reserve for unexpired risk	√	
2.	Provision for taxation	√	√
3.	For proposed dividends		√
4.	For Dividend distribution tax		√
5.	<u>Others</u>		
	Provision for leave encashment		√
	Provision for diminution in the value of investments		√
	Risk Reserve		√

## CONTINGENT LIABILITIES

	Particulars	UAG	PHD
1.	Partly paid-up investments	√	
2.	Claims, other than those under policies, not acknowledged as debts by the company	√	√
3.	Underwriting commitments outstanding		√
4.	Guarantees given by or on behalf of the Company		√
5.	Statutory demands/ liabilities in dispute, not provided for	√	
6.	Reinsurance obligations	√	
7.	Others (to be specified)	√	

## OTHER AREAS OF WORK

	Particulars	UAG.	PHD
	<b>NOTES TO THE ACCOUNTS</b>		
	<b>Summary of significant accounting policies</b>		
1.	Basis of preparation	√	√
2.	Revenue Recognition:		
	(a) Premium income	√	
	(b) Commission	√	
	(c) Claims Incurred		√
	(d) Reinsurance	√	
	(e) Net realised gains or losses on linked assets		√
	(f) Dividend Income		√
3.	Investments		√
4.	Fixed Assets	√	
5.	Impairment of assets	√	
6.	Employee Retirement Benefits		√
7.	Reserve for unexpired risk	√	
8.	Foreign currency transactions	√	√
9.	Allocation of Expenses		√
10.	Others (Based on respective areas)	√	√
11.	Provisions, Contingent Liabilities & Contingent Assets	√	√

	Particulars	UAG.	PHD
	<b>Notes to accounts</b>		
	<b>Statutory disclosures as required by the regulations</b>		
12.	Contingent liabilities	√	√
13.	Encumbrances on assets	√	
14.	Capital commitments	√	
15.	Outstanding Claims for more than 6 months		√
16.	Deferred Tax Asset/Liability	√	√
17.	Value of contracts in relation to investments		√
18.	Provision for Premium Deficiency	√	
19.	Rural Insurance Premium and Social Sector Premium	√	
20.	Managerial remuneration		√
21.	Investments		√
22.	Claims settled and unpaid		√
23.	Segmental reporting (based on areas)	√	√
24.	Details of related parties and transactions with related parties	√	√
	(a) Identification of related parties		
	(b) Transactions with related parties (based on areas)		
25.	Details of Outsourcing, Business Development and Marketing Support Expenses		√
26.	Terrorism Pool	√	
27.	Indian Motor Third Party Decline Risk Pool	√	
28.	Corporate Social Responsibility	√	√
29.	Unclaimed Amount of Policyholders	√	
	<b>SUMMARY OF FINANCIAL STATEMENTS</b> (based on areas)	√	√
	<b>RATIOS</b> (based on areas)	√	√
	<b>RECEIPTS &amp; PAYMENTS ACCOUNT</b>	√	√
	<b>Minutes of Meetings</b>	√	√
	<b>IRDA Correspondence</b>	√	√

**ANNEXURE I**

**RELIANCE GENERAL INSURANCE COMPANY LIMITED**

**CIN: U66603MH2000PLC128300**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021**

**[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

Sr.	Particulars	Audited Figures (Rs in Lakhs) as reported before adjusting for qualifications)	Audited Figures (Rs in Lakhs)(audited figure after adjusting for qualifications)
1	Turnover / Total income	504,280	504,280
2	Total Expenditure including exceptional items	483,468	483,468
3	Net Profit / (Loss) after tax	20,812	20,812
4	Earnings Per Share (Rs.)	8.27	8.27
5	Total Assets	1,547,114	1,547,114
6	Total Liabilities	1,341,685	1,341,685
7	Net worth	205,429	205,429

II		Audit Qualification (each audit qualification separately):	
a.	<b>Details of Audit Qualification:</b>		
	The Company has investments in Non-convertible debentures' (NCD) of Rs. 12,994 Lakh in Reliance Capital Limited (RCL) as at March 31, 2021. These investments are being valued at amortised cost as prescribed by the IRDAI Regulations and valuation policy approved by the Board of Directors. The Company is carrying provision of 30% against total investment in RCL amounting to Rs.3,898 Lakh. As Credit ratings of these investments are standing at D and the investee Company has defaulted in repayment of interest and principal on due dates, the impact, if any, on the potential diminution in the value of these investments is presently not ascertainable.		
b.	Type of Audit Qualification :	Qualified Opinion	
c.	Frequency of Qualification	Third Time	
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable	
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		
	(i) Management's estimation on the impact of audit qualification	No Impact	
	The Company has investments of Rs 12,994 Lakh in Non-Convertible Debentures (NCD's) of Reliance Capital Limited (RCL), which have been classified as doubtful assets on and from 17th January 2021 based on Prudential Norms for Income Recognition, Asset Classification and Provisioning issued under Insurance Regulatory & Development Authority of India's (IRDAI's) master circular on Preparation of Financial Statements. The management have estimated the realisable value of the NCD's considering all the available current information with regard to RCL's asset monetisation and disinvestment plans, and formulated its own realistic assessment of the realisable value of RCL's key assets/investments based on appropriate valuation benchmarks. Based on such assessment, the company has, as a matter of prudence and abundant caution, created provision of 30% of total investments in RCL amounting to Rs 3,898 Lakh and the management is confident of realisability of balance amount.		
	(ii) If management is unable to estimate the impact, reasons for the same:	Not Applicable	
	(iii) Auditors' Comments on (i) or (ii) above	Refer section II(a) above	

**III Signatories:**

**Rakesh Jain**  
(Executive Director & Chief Executive Officer)

**Hemant Jain**  
(Chief Financial Officer)

**Rajendra Chitale**  
Chairman of Audit Committee

**Statutory Auditors**  
**For Pathak H D & Associates LLP**  
Chartered Accountants (FRN. 107783W / W100593)

**For Uttam Abuwala Ghosh & Associates**  
Chartered Accountants (FRN. 111184W)

**Vishal D.Shah**  
Partner, Membership No. 119303  
UDIN: 21119303AAAAJG2997

**Ajaysingh Chauhan**  
Partner, Membership No. 137918  
UDIN: 21137918AAAAAB6844

**Place: Mumbai**  
**Date: 07th May ,2021**

**Place: Mumbai**  
**Date: 07th May ,2021**

## Independent Auditors' Certificate

### To The Members Of Reliance General Insurance Company Limited

(Referred to in paragraph 16 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated May 7, 2021)

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

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 as amended from time to time including amendment brought 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 as aforesaid.

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

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of accounts and other records maintained by Reliance General Insurance Company Limited (the "Company") for the year ended March 31, 2021, we certify that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2021 and have found no apparent mistake or material inconsistency with the financial statements;
2. Based on management representations and the compliance certificate submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration as per sub section 4 of section 3 of the Insurance Act, 1938; (Refer note 29 of audited financial statements for the year ended March 31, 2021).
3. We have relied on the management certificate for the cash balances and cheques in hand as on March 31, 2021 as the same could not be verified due to restrictions due to Pandemic Covid-19. For securities relating to Company's investments as at March 31, 2021, have been verified by on the basis of certificates / confirmations received from the Custodians and/or Depository Participants appointed by the Company, as the case may be. (Also refer the Basis for Qualified Opinion paragraph in our main audit report). As at March 31, 2021, the Company does not have reversions and life interests;
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 relating to the application and investments of the Policyholders' Funds.

#### For Pathak H. D. & Associates LLP

Firm Registration No. 107783W/W100593  
Chartered Accountants

#### Vishal D. Shah

Partner  
Membership No. 119303  
UDIN: 21119303AAAAJQ8271

Date: May 7, 2021

Place: Mumbai

#### For Uttam Abuwala Ghosh & Associates

Firm Registration No. 111184W  
Chartered Accountants

#### Ajay Singh Chauhan

Partner  
Membership No. 137918  
UDIN: 21137918AAAABD1067

Date: May 7, 2021

Place: Mumbai

**REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021**  
**Fire Insurance Business**

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

(₹ In '000)

Particulars	Schedule	Current Year	Previous Year
Premium Earned (Net)	1	24,36,483	16,75,581
Profit / (Loss) on sale/redemption of Investments (Net)		61,572	46,795
Interest, Dividend & Rent – Gross		2,36,992	2,28,582
Terrorism/Nuclear Pool Income		54,782	55,122
Exchange Gain / (Loss)		(37)	-
<b>TOTAL ( A )</b>		<b>27,89,792</b>	20,06,080
Claims Incurred (Net)	2	13,62,930	6,25,809
Commission	3	(1,82,974)	(6,09,529)
Operating Expenses related to Insurance Business	4	11,84,600	6,49,645
Reserve for Premium Deficiency		-	-
<b>TOTAL ( B )</b>		<b>23,64,556</b>	6,65,925
Operating Profit/(Loss) from Fire Business (C) = (A) - (B)		4,25,236	13,40,155
<b>Appropriations</b>			
Transfer to Shareholders' Accounts		4,25,236	13,40,155
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
<b>TOTAL ( C )</b>		<b>4,25,236</b>	13,40,155
<b>Significant accounting policies and explanatory notes to accounts to the Audited Financial Statements</b>	<b>16 &amp; 17</b>		

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 Uttam Abuwala Ghosh & Associates**

Chartered Accountants (FRN. 111184W)

**Ajaysingh Chauhan**

Partner, Membership No. 137918

**Dr. Thomas Mathew**

Director (DIN: 05203948)

Place : Gurugram

**Mr. Rahul Sarin**

Director (DIN : 02275722)

Place: Gurugram

**For Pathak H D & Associates LLP**

Chartered Accountants (FRN. 107783W / W100593)

**Vishal D. Shah**

Partner, Membership No. 119303

**Rakesh Jain**

Executive Director & CEO

(DIN : 03645324)

**Hemant K. Jain**

Chief Financial Officer

Place : Mumbai

Date : 07th May, 2021

**Mohan Khandekar**

Company Secretary & Chief Compliance Officer

(Membership No. A8515)

**REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021****Marine Insurance Business**

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

(₹ In '000)

Particulars	Schedule	Current Year	Previous Year
Premium Earned (Net)	1	1,08,235	64,008
Profit / (Loss) on sale/redemption of Investments (Net)		6,064	4,031
Interest, Dividend & Rent – Gross		23,340	19,689
Terrorism/Nuclear Pool Income		-	-
Exchange Gain / (Loss)		12	-
<b>TOTAL (A)</b>		<b>1,37,651</b>	<b>87,728</b>
Claims Incurred (Net)	2	1,44,284	70,034
Commission	3	(14,832)	(31,101)
Operating Expenses related to Insurance Business	4	52,365	34,045
Reserve for Premium Deficiency		-	-
<b>TOTAL (B)</b>		<b>1,81,817</b>	<b>72,978</b>
Operating Profit/(Loss) from Marine Business (C) = (A) - (B)		<b>(44,166)</b>	14,750
<b>Appropriations</b>			
Transfer to Shareholders' Accounts		(44,166)	14,750
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
<b>TOTAL (C)</b>		<b>(44,166)</b>	14,750
<b>Significant accounting policies and explanatory notes to accounts to the Audited Financial Statements</b>	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 Uttam Abuwala Ghosh & Associates**

Chartered Accountants (FRN. 111184W)

**Ajaysingh Chauhan**

Partner, Membership No. 137918

**Dr. Thomas Mathew**

Director (DIN: 05203948)

Place : Gurugram

**Mr. Rahul Sarin**

Director (DIN : 02275722)

Place: Gurugram

**For Pathak H D & Associates LLP**

Chartered Accountants (FRN. 107783W / W100593)

**Vishal D. Shah**

Partner, Membership No. 119303

**Rakesh Jain**

Executive Director &amp; CEO

(DIN : 03645324)

**Hemant K. Jain**

Chief Financial Officer

Place : Mumbai

Date : 07th May, 2021

**Mohan Khandekar**

Company Secretary &amp; Chief Compliance Officer

(Membership No. A8515)

**REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021**  
**Miscellaneous Insurance Business**

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

(₹ In '000)

Particulars	Schedule	Current Year	Previous Year
Premium Earned (Net)	1	3,40,66,413	3,90,46,513
Profit / (Loss) on sale/redemption of Investments (Net)		17,54,934	13,03,922
Interest, Dividend & Rent – Gross		67,54,747	63,69,364
Terrorism/Nuclear Pool Income		12,891	10,794
Contribution from Shareholders Funds towards Excess EOM (Refer note no.45 of Schedule 17)		25,85,848	14,41,402
Exchange Gain / (Loss)		(237)	2,679
Misc Income		8,131	5,107
<b>TOTAL (A)</b>		<b>4,51,82,727</b>	<b>4,81,79,781</b>
Claims Incurred (Net)	2	2,76,27,041	3,34,23,387
Commission	3	(16,03,541)	(15,63,747)
Operating Expenses related to Insurance Business	4	1,45,83,804	1,33,55,562
Reserve for Premium Deficiency		-	-
<b>TOTAL (B)</b>		<b>4,06,07,304</b>	<b>4,52,15,202</b>
Operating Profit/(Loss) from Miscellaneous Business (C) = (A) - (B)		45,75,423	29,64,579
<b>Appropriations</b>			
Transfer to Shareholders' Accounts		45,75,423	29,64,579
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
<b>TOTAL (C)</b>		<b>45,75,423</b>	<b>29,64,579</b>
<b>Significant accounting policies and explanatory notes to accounts to the Audited Financial Statements</b>	<b>16 &amp; 17</b>		

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 Uttam Abuwala Ghosh & Associates**

Chartered Accountants (FRN. 111184W)

**Ajaysingh Chauhan**

Partner, Membership No. 137918

**Dr. Thomas Mathew**

Director (DIN: 05203948)

Place : Gurugram

**Mr. Rahul Sarin**

Director (DIN : 02275722)

Place: Gurugram

**For Pathak H D & Associates LLP**

Chartered Accountants (FRN. 107783W / W100593)

**Vishal D. Shah**

Partner, Membership No. 119303

**Rakesh Jain**

Executive Director & CEO

(DIN : 03645324)

**Hemant K. Jain**

Chief Financial Officer

Place : Mumbai

Date : 07th May, 2021

**Mohan Khandekar**

Company Secretary & Chief Compliance Officer

(Membership No. A8515)

**PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31ST MARCH, 2021**

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

(₹ In '000)

Particulars	Current Year		Previous Year	
<b>Operating Profit / (Loss)</b>				
a. Fire Insurance	4,25,236		13,40,155	
b. Marine Insurance	(44,166)		14,750	
c. Miscellaneous Insurance	45,75,423		29,64,579	
		49,56,493		43,19,484
<b>Income from Investments</b>				
Interest, Dividend & Rent – Gross	14,45,968		10,30,534	
Profit on sale/redemption of investments	4,21,997		2,23,953	
Less: Loss on sale/redemption of investment	(46,324)		(12,984)	
		18,21,641		12,41,503
<b>Other Income</b>				
Profit/(Loss) on sale/discard of assets	(3,415)		1,001	
Miscellaneous Income	12,482		1,541	
Reversal of Equity impairment	3,01,672		-	
Excess Provision/bad debts Written Back	1,85,472		27,584	
		4,96,211		30,126
<b>TOTAL (A)</b>		72,74,345		55,91,113
<b>Provisions (Other than Taxation)</b>				
(a) For diminution in the value of investment	2,59,883		2,12,315	
(b) For doubtful debts	2,28,823		2,57,281	
		4,88,706		4,69,596
<b>Other Expenses</b>				
<b>Expenses other than those related to Insurance Business:</b>				
- Employee's remuneration and welfare benefits	29,866		32,603	
- Managerial remuneration	63,200		51,200	
- Amortisation of Debenture Expenses	2,915		2,923	
- Interest on Statutory Liability	13,996		13,824	
- Contribution to policyholders Funds towards Excess EOM (Refer note no.45 of Schedule 17)	25,85,848		14,41,402	
- Impairment on Equity Investments	-		3,19,752	
- Miscellaneous Expenses	-	26,95,825	3,978	18,65,682
Finance Cost		3,546		13,863
Interest on Non Convertible Debenture (Refer note no.19 of Schedule 17)		2,09,082		2,09,517
Bad debt w/off (Net of Provisions)		5,97,322		12,363
Corporate Social Responsibility Expense (Refer note no.44 of Schedule 17)		53,368		25,566
Penalty (Refer note no.32 of Schedule 17)		1,057		698
Exchange Gain / (loss)		-		-
<b>TOTAL (B)</b>		40,48,906		25,97,285
<b>Profit / (Loss) Before Tax</b>		32,25,439		29,93,828
<b>Provision for Taxation</b>				
Current Tax		4,46,825		5,01,585
Short Provision for earlier year		1,49,810		52,313
Deferred Tax		-		-
MAT Credit (Refer note no.20 of Schedule 17)		5,47,620		(1,53,686)
<b>Net Profit / (Loss) After Tax</b>		20,81,184		25,93,616
<b>Appropriations:</b>				
(a) Interim dividends paid during the period	-		-	
(b) Final dividend	-		1,25,775	
(c) Dividend Distribution Tax	-		25,853	
(d) Debenture Redemption Reserve (Refer note no.19 of Schedule 17)	-		15,972	1,67,600
Profit / (Loss) After appropriations		20,81,184		24,26,016
<b>Balance of Profit / (Loss) brought forward from last year</b>		80,71,547		56,45,531
<b>Balance carried forward to Balance Sheet</b>		1,01,52,731		80,71,547
<b>Basic Earning Per Share (Refer note no. 40 of Schedule 17)</b>		8.27		10.31
<b>Diluted Earning Per Share (Refer note no. 40 of Schedule 17)</b>		8.22		10.27
<b>Significant accounting policies and explanatory notes to accounts to the Audited Financial Statements, refer schedule 16 &amp; 17</b>				

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 Uttam Abuwala Ghosh & Associates  
Chartered Accountants (FRN. 111184W)Ajaysingh Chauhan  
Partner, Membership No. 137918Dr. Thomas Mathew  
Director (DIN: 05203948)  
Place : GurugramMr. Rahul Sarin  
Director (DIN : 02275722)  
Place: GurugramFor Pathak H D & Associates LLP  
Chartered Accountants (FRN. 107783W / W100593)Vishal D. Shah  
Partner, Membership No. 119303Rakesh Jain  
Executive Director & CEO  
(DIN : 03645324)Hemant K. Jain  
Chief Financial OfficerPlace : Mumbai  
Date : 07th May, 2021Mohan Khandekar  
Company Secretary & Chief Compliance Officer  
(Membership No. A8515)

**BALANCE SHEET AS AT 31ST MARCH, 2021**

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

(₹ In '000)

Particulars	Schedule	As at 31st March,2021	As at 31st March,2020
<b>Sources of funds</b>			
Share Capital	5&5A	25,15,499	25,15,499
Reserves and Surplus	6	1,80,27,420	1,59,46,236
Fair Value Change Account- Shareholder		7,490	(1,32,739)
Fair Value Change Account- Policyholder		36,335	(8,52,392)
Borrowings	7	23,00,000	23,00,000
<b>Total</b>		<b>2,28,86,744</b>	<b>1,97,76,604</b>
<b>Application of funds</b>			
Investments Shareholder	8	2,22,73,614	1,45,81,294
Investments Policyholder	8A	10,80,59,889	9,36,34,685
Loans	9	-	-
Fixed Assets	10	4,85,787	4,11,938
Deferred Tax Assets (Refer note no.10 of Schedule 17)		3,72,735	3,72,735
Current Assets			
Cash and Bank Balances	11	19,95,451	9,20,659
Advances and Other Assets	12	2,15,67,741	1,79,43,467
<b>Sub-Total (A)</b>		<b>2,35,63,192</b>	<b>1,88,64,126</b>
Current Liabilities	13	11,24,87,973	9,40,61,085
Provisions	14	1,93,80,500	1,40,27,089
<b>Sub-Total (B)</b>		<b>13,18,68,473</b>	<b>10,80,88,174</b>
Net Current Assets (C) = (A) - (B)		(10,83,05,281)	(8,92,24,048)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit & Loss Account		-	-
<b>Total</b>		<b>2,28,86,744</b>	<b>1,97,76,604</b>

Significant accounting policies and notes to accounts to 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 Uttam Abuwala Ghosh & Associates**

Chartered Accountants (FRN. 111184W)

**Ajaysingh Chauhan**

Partner, Membership No. 137918

**Dr. Thomas Mathew**

Director (DIN: 05203948)

Place : Gurugram

**Mr. Rahul Sarin**

Director (DIN : 02275722)

Place: Gurugram

**For Pathak H D & Associates LLP**

Chartered Accountants (FRN. 107783W / W100593)

**Vishal D. Shah**

Partner, Membership No. 119303

**Rakesh Jain**

Executive Director & CEO

(DIN : 03645324)

**Hemant K. Jain**

Chief Financial Officer

Place : Mumbai

Date : 07th May, 2021

**Mohan Khandekar**

Company Secretary & Chief Compliance Officer

(Membership No. A8515)

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

## Schedule- 1

## Premium Earned (Net of Goods and 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	Current Year	87,43,342	8,90,707	68,82,711	27,51,338	(3,14,855)	24,36,483
	Previous Year	69,74,778	4,45,877	60,03,638	14,17,017	2,58,564	16,75,581
Marine Cargo	Current Year	7,28,188	13,072	6,16,158	1,25,102	(23,284)	1,01,818
	Previous Year	8,89,755	-	8,24,782	64,973	(2,715)	62,258
Marine Hull	Current Year	1,17,834	-	1,20,549	(2,715)	9,132	6,417
	Previous Year	2,47,618	-	2,41,203	6,415	(4,665)	1,750
Marine Total	Current Year	8,46,022	13,072	7,36,707	1,22,387	(14,152)	1,08,235
	Previous Year	11,37,373	-	10,65,985	71,388	(7,380)	64,008
Motor OD	Current Year	1,31,45,267	-	31,74,688	99,70,579	(19,22,807)	80,47,772
	Previous Year	1,20,94,693	-	35,92,170	85,02,523	7,38,654	92,41,177
Motor TP	Current Year	2,25,90,698	-	75,12,707	1,50,77,991	(27,99,756)	1,22,78,235
	Previous Year	1,89,97,585	-	66,08,495	1,23,89,090	1,351	1,23,90,441
Motor Total	Current Year	3,57,35,965	-	1,06,87,395	2,50,48,570	(47,22,563)	2,03,26,007
	Previous Year	3,10,92,278	-	1,02,00,665	2,08,91,613	7,40,005	2,16,31,618
Employer's Liability	Current Year	2,32,096	-	11,605	2,20,491	(26,639)	1,93,852
	Previous Year	1,77,008	-	8,850	1,68,158	(14,866)	1,53,292
Public Liability	Current Year	2,95,472	15,523	1,72,035	1,38,960	(3,325)	1,35,635
	Previous Year	2,87,123	13,574	1,29,635	1,71,062	(15,325)	1,55,737
Engineering	Current Year	14,00,873	30,056	10,91,291	3,39,638	5,478	3,45,116
	Previous Year	10,38,391	29,725	7,02,387	3,65,729	(23,080)	3,42,649
Aviation	Current Year	2,75,868	-	2,27,181	48,687	318	49,005
	Previous Year	1,86,032	-	1,75,236	10,796	(658)	10,138
Personal Accident	Current Year	5,35,467	-	1,55,525	3,79,942	(55,560)	3,24,382
	Previous Year	5,76,543	-	1,62,351	4,14,192	(83,280)	3,30,912
Health	Current Year	90,14,996	-	18,92,085	71,22,911	(3,24,032)	67,98,879
	Previous Year	1,47,94,234	-	31,98,987	1,15,95,247	5,58,021	1,21,53,268
Weather and Crop Insurance	Current Year	2,55,64,803	-	1,99,64,469	56,00,334	2,939	56,03,273
	Previous Year	1,78,00,883	-	1,39,73,670	38,27,213	37,652	38,64,865
Other Misc.	Current Year	4,57,896	1,877	1,65,710	2,94,063	(3,799)	2,90,264
	Previous Year	5,85,765	124	1,82,073	4,03,816	218	4,04,034
Misc Total	Current Year	7,35,13,436	47,456	3,43,67,296	3,91,93,596	(51,27,183)	3,40,66,413
	Previous Year	6,65,38,257	43,423	2,87,33,854	3,78,47,826	11,98,687	3,90,46,513
Total	Current Year	8,31,02,800	9,51,235	4,19,86,714	4,20,67,321	(54,56,190)	3,66,11,131
	Previous Year	7,46,50,408	4,89,300	3,58,03,477	3,93,36,231	14,49,871	4,07,86,102

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021**

**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 thePeriod	Net Claims Incurred (6+7-8)
1	2	3	4	5	6	7	8	9
Fire	Current Year	26,88,022	1,44,224	20,82,600	7,49,646	16,65,221	10,51,937	13,62,930
	Previous Year	20,49,858	1,37,018	16,71,530	5,15,346	10,51,937	9,41,474	6,25,809
Marine Cargo	Current Year	6,45,442	29,005	5,85,799	88,648	2,45,727	1,96,642	1,37,733
	Previous Year	9,45,014	-	8,70,318	74,696	1,96,642	2,02,354	68,984
Marine Hull	Current Year	17,731	-	17,029	702	8,863	3,014	6,551
	Previous Year	60,871	-	59,639	1,232	3,014	3,196	1,050
Marine Total	Current Year	6,63,173	29,005	6,02,828	89,350	2,54,590	1,99,656	1,44,284
	Previous Year	10,05,885	-	9,29,957	75,928	1,99,656	2,05,550	70,034
Motor OD	Current Year	62,39,599	-	15,62,701	46,76,898	20,23,249	17,19,335	49,80,812
	Previous Year	88,57,937	-	24,64,523	63,93,414	17,19,335	17,57,804	63,54,945
Motor TP	Current Year	46,88,635	-	10,01,795	36,86,840	5,18,14,072	4,48,53,116	1,06,47,796
	Previous Year	80,69,724	-	17,75,846	62,93,878	4,48,53,116	3,91,95,216	1,19,51,778
Motor Total	Current Year	1,09,28,234	-	25,64,496	83,63,738	5,38,37,321	4,65,72,451	1,56,28,608
	Previous Year	1,69,27,661	-	42,40,369	1,26,87,292	4,65,72,451	4,09,53,020	1,83,06,723
Employer's Liability	Current Year	58,811	-	3,021	55,790	3,31,274	2,55,707	1,31,357
	Previous Year	62,077	-	3,365	58,712	2,55,706	2,08,121	1,06,297
Public Liability	Current Year	24,053	-	1,286	22,767	1,91,032	2,22,340	(8,541)
	Previous Year	5,183	-	295	4,888	2,22,340	1,55,010	72,218
Engineering	Current Year	11,55,020	14,864	9,66,534	2,03,350	2,82,886	4,16,962	69,274
	Previous Year	3,12,128	27,008	1,90,108	1,49,028	4,16,962	3,24,591	2,41,399
Aviation	Current Year	1,95,166	-	1,95,127	39	41,895	8,918	33,016
	Previous Year	1,553	-	1,546	7	8,918	4,326	4,599
Personal Accident	Current Year	1,90,482	408	41,529	1,49,361	3,95,037	3,65,948	1,78,450
	Previous Year	2,69,257	8,060	70,154	2,07,163	3,65,948	3,45,153	2,27,958
Health	Current Year	93,78,195	-	20,38,128	73,40,067	31,70,742	39,96,089	65,14,720
	Previous Year	1,17,42,911	3,655	20,99,583	96,46,983	39,96,089	27,15,256	1,09,27,816
Weather and Crop Insurance	Current Year	1,48,19,167	-	1,11,28,380	36,90,787	48,28,622	35,24,092	49,95,317
	Previous Year	51,95,962	-	37,81,134	14,14,828	35,24,092	16,90,965	32,47,955
Other Misc.	Current Year	1,71,355	1	18,032	1,53,324	1,58,614	2,27,098	84,840
	Previous Year	2,67,706	1	42,414	2,25,293	2,27,100	1,63,971	2,88,422
Misc Total	Current Year	3,69,20,483	15,273	1,69,56,533	1,99,79,223	6,32,37,423	5,55,89,605	2,76,27,041
	Previous Year	3,47,84,438	38,724	1,04,28,968	2,43,94,194	5,55,89,606	4,65,60,413	3,34,23,387
<b>Total</b>	<b>Current Year</b>	<b>4,02,71,678</b>	<b>1,88,502</b>	<b>1,96,41,961</b>	<b>2,08,18,219</b>	<b>6,51,57,234</b>	<b>5,68,41,198</b>	<b>2,91,34,255</b>
Total	Previous Year	3,78,40,181	1,75,742	1,30,30,455	2,49,85,468	5,68,41,199	4,77,07,437	3,41,19,230

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

## Schedule- 3

## Commission (Net)

(₹ In '000)

Particulars	Financial period	Commission Paid	Commission paid on reinsurance accepted	Commission received from reinsurance ceded	Net commission (3+4-5)
1	2	3	4	5	6
<b>Fire</b>	<b>Current Year</b>	<b>7,53,260</b>	<b>37,416</b>	<b>9,73,650</b>	<b>(1,82,974)</b>
	Previous Year	5,56,011	21,550	11,87,090	(6,09,529)
Marine Cargo	<b>Current Year</b>	<b>85,358</b>	<b>1,465</b>	<b>95,952</b>	<b>(9,129)</b>
	Previous Year	1,04,688	-	1,38,740	(34,052)
Marine Hull	<b>Current Year</b>	<b>953</b>	<b>-</b>	<b>6,656</b>	<b>(5,703)</b>
	Previous Year	14,637	-	11,686	2,951
<b>Marine Total</b>	<b>Current Year</b>	<b>86,311</b>	<b>1,465</b>	<b>1,02,608</b>	<b>(14,832)</b>
	Previous Year	1,19,325	-	1,50,426	(31,101)
Motor OD	<b>Current Year</b>	<b>24,10,695</b>	<b>-</b>	<b>6,71,124</b>	<b>17,39,571</b>
	Previous Year	21,64,182	-	10,08,625	11,55,530
Motor TP	<b>Current Year</b>	<b>2,88,548</b>	<b>-</b>	<b>23,05,899</b>	<b>(20,17,351)</b>
	Previous Year	2,19,310	-	21,50,441	(19,31,131)
<b>Motor Total</b>	<b>Current Year</b>	<b>26,99,243</b>	<b>-</b>	<b>29,77,023</b>	<b>(2,77,780)</b>
	Previous Year	23,83,492	-	31,59,093	(7,75,601)
Employer's Liability	<b>Current Year</b>	<b>28,159</b>	<b>-</b>	<b>2,843</b>	<b>25,316</b>
	Previous Year	21,271	-	2,548	18,723
Public Liability	<b>Current Year</b>	<b>31,190</b>	<b>359</b>	<b>16,814</b>	<b>14,735</b>
	Previous Year	29,014	136	11,422	17,728
Engineering	<b>Current Year</b>	<b>1,14,487</b>	<b>3,157</b>	<b>67,797</b>	<b>49,847</b>
	Previous Year	98,096	2,647	40,113	60,630
Aviation	<b>Current Year</b>	<b>1,952</b>	<b>-</b>	<b>6,726</b>	<b>(4,774)</b>
	Previous Year	6,299	-	6,508	(209)
Personal Accident	<b>Current Year</b>	<b>46,441</b>	<b>-</b>	<b>56,365</b>	<b>(9,924)</b>
	Previous Year	50,839	-	11,538	39,301
Health	<b>Current Year</b>	<b>5,48,409</b>	<b>-</b>	<b>3,00,993</b>	<b>2,47,416</b>
	Previous Year	4,90,018	-	2,45,561	2,44,457
Weather and Crop Insurance	<b>Current Year</b>	<b>-</b>	<b>-</b>	<b>16,58,769</b>	<b>(16,58,769)</b>
	Previous Year	9	-	10,83,855	(10,83,846)
Other Misc.	<b>Current Year</b>	<b>38,362</b>	<b>270</b>	<b>28,240</b>	<b>10,392</b>
	Previous Year	63,180	25	1,48,135	(84,930)
<b>Misc Total</b>	<b>Current Year</b>	<b>35,08,243</b>	<b>3,786</b>	<b>51,15,570</b>	<b>(16,03,541)</b>
	Previous Year	31,42,218	2,808	47,08,773	(15,63,747)
<b>Total</b>	<b>Current Year</b>	<b>43,47,814</b>	<b>42,667</b>	<b>61,91,828</b>	<b>(18,01,347)</b>
Total	Previous Year	38,17,554	24,358	60,46,289	(22,04,377)

## Schedule- 3A

## Commission Paid - Direct

(₹ In '000)

Particulars	Paid in India		Paid Outside India	
	2020-21	2019-20	2020-21	2019-20
Agents	8,33,243	8,58,319	-	-
Brokers	23,94,685	19,55,059	-	-
Corporate agency	7,86,539	7,24,617	-	-
Web Aggregator	41,029	45,795	-	-
Motor Insurance Service Provider (MISP)	82,569	99,431	-	-
Others	2,09,749	1,34,333	-	-
<b>Total</b>	<b>43,47,814</b>	<b>38,17,554</b>	<b>-</b>	<b>-</b>

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021**

**Schedule-4**

**Operating Expenses related to insurance business**

(₹ In '000)

Particulars	2020-21				2019-20			
	Fire	Marine	Miscellaneous*	Total	Fire	Marine	Miscellaneous*	Total
Employees' remuneration & welfare benefits	3,10,827	13,826	40,25,499	43,50,152	2,04,131	10,284	41,19,518	43,33,933
Company's contribution to Provident fund and others	15,267	679	1,82,624	1,98,570	12,435	626	2,37,692	2,50,753
Travel, conveyance and vehicle running expenses	7,225	321	1,03,424	1,10,970	7,676	387	2,00,762	2,08,825
Rents, rates & taxes	16,353	727	2,32,953	2,50,033	9,003	454	2,40,472	2,49,929
Repairs	43,906	1,953	6,26,404	6,72,263	16,828	848	4,49,686	4,67,362
Printing & Stationery	2,250	100	32,415	34,765	2,191	110	58,292	60,593
Communication expenses	8,539	380	1,21,787	1,30,706	5,017	253	1,35,865	1,41,135
Postage expenses	1,516	67	21,642	23,225	3,184	160	85,000	88,344
Legal & professional charges	4,955	253	99,356	1,04,564	1,935	139	87,482	89,556
<b>Auditors Fees, expenses, etc.</b>	-	-	-	-	-	-	-	-
a. As auditor	380	17	5,418	5,815	156	8	4,177	4,341
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	-	-	-	-	-	-	-	-
Advertisement and Publicity	7,09,686	31,568	83,06,139	90,47,393	3,40,978	17,178	64,63,872	68,22,028
Bank Charges & interest expenses others	10,650	474	1,51,697	1,62,821	4,346	219	1,16,059	1,20,624
GST Expenses	992	44	1,21,507	1,22,543	1,946	98	1,43,880	1,45,924
<b>Others :</b>								
Directors' Sitting fees	193	9	2,748	2,950	105	5	2,810	2,920
Entertainment Expenses	1,354	60	15,802	17,216	2,162	109	43,453	45,724
Office Maintenance Expenses	8,630	384	1,22,932	1,31,946	5,766	291	1,54,016	1,60,073
Training & Recruitment Expenses	4,505	200	63,996	68,701	8,311	419	2,16,059	2,24,789
Depreciation	10,599	471	1,50,996	1,62,066	6,279	316	1,67,832	1,74,427
Office Management Expenses	3,924	177	55,901	60,002	2,161	109	57,730	60,000
Subscriptions and Membership Fees	3,469	154	49,422	53,045	1,284	65	34,301	35,650
Coinsurance Expenses (net)	18,675	470	10,007	29,152	13,364	1,948	7,233	22,545
Weather Insurance Charges	-	-	61,950	61,950	-	-	3,05,558	3,05,558
Miscellaneous expenses	705	31	19,185	19,921	387	19	23,813	24,219
<b>Total</b>	<b>11,84,600</b>	<b>52,365</b>	<b>1,45,83,804</b>	<b>1,58,20,769</b>	<b>6,49,645</b>	<b>34,045</b>	<b>1,33,55,562</b>	<b>1,40,39,252</b>

\*Sub segment wise breakup as per schedule-4A

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

## Schedule-\*4A Operating Expenses related to insurance business

(₹ In '000)

Particulars	2020-21											
	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Miscellaneous	Total Miscellaneous
Employees' remuneration & welfare benefits	10,00,608	15,13,167	25,13,775	24,910	15,699	38,370	5,500	38,554	7,22,783	6,32,687	33,221	40,25,499
Company's contribution to Provident fund and others	44,475	67,258	1,11,733	1,223	771	1,885	270	1,724	32,311	31,075	1,632	1,82,624
Travel, conveyance and vehicle running expenses	26,631	40,273	66,904	579	365	892	128	924	17,321	15,539	772	1,03,424
Rents, rates & taxes	59,262	89,618	1,48,880	1,311	826	2,019	289	2,258	42,336	33,286	1,748	2,32,953
Repairs	1,59,110	2,40,614	3,99,724	3,519	2,218	5,420	777	6,063	1,14,149	89,841	4,693	6,26,404
Printing & Stationery	8,316	12,576	20,892	180	114	278	40	307	5,765	4,600	239	32,415
Communication expenses	31,016	46,903	77,919	684	431	1,054	151	1,180	22,118	17,336	913	1,21,786
Postage expenses	5,513	8,337	13,850	121	77	187	27	209	3,923	3,086	162	21,642
Legal & professional charges	26,268	39,723	65,991	495	244	591	84	2,803	18,551	9,652	945	99,356
<b>Auditors Fees, expenses, etc.</b>	-	-	-	-	-	-	-	-	-	-	-	-
a. As auditor	1,378	2,084	3,462	30	19	47	7	53	985	774	41	5,418
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	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and Publicity	25,82,378	39,05,197	64,87,575	56,874	35,844	87,607	12,558	98,003	14,51,827	-	75,851	83,06,139
Bank Charges & interest expenses others	38,591	58,359	96,950	853	538	1,315	188	1,471	27,569	21,676	1,138	1,51,698
GST Expenses	3,594	5,436	9,030	79	50	122	18	137	17,976	93,989	106	1,21,507
<b>Others :</b>	-	-	-	-	-	-	-	-	-	-	-	-
Directors' Sitting fees	699	1,057	1,756	15	10	24	3	27	499	393	21	2,748
Entertainment Expenses	3,852	5,825	9,677	108	68	167	24	136	2,548	2,929	145	15,802
Office Maintenance Expenses	31,273	47,293	78,566	692	436	1,065	153	1,192	22,341	17,566	921	1,22,932
Training & Recruitment Expenses	16,088	24,329	40,417	361	228	556	80	605	11,348	9,921	481	63,997
Depreciation	38,414	58,091	96,505	849	535	1,308	188	1,464	27,440	21,574	1,133	1,50,996
Office Management Expenses	14,221	21,506	35,727	314	198	484	69	542	10,159	7,988	420	55,901
Subscriptions and Membership Fees	12,573	19,013	31,586	278	175	428	61	479	8,982	7,062	371	49,422
Coinurance Expenses (net)	34	51	85	51	340	3,109	765	297	5,387	(0)	(27)	10,007
Weather Insurance Charges	-	-	-	-	-	-	-	-	-	61,950	0	61,950
Miscellaneous expenses	6,294	9,518	15,812	57	36	87	13	98	1,880	1,125	77	19,185
<b>Total</b>	<b>41,10,588</b>	<b>62,16,228</b>	<b>1,03,26,816</b>	<b>93,583</b>	<b>59,222</b>	<b>1,47,015</b>	<b>21,393</b>	<b>1,58,526</b>	<b>25,68,198</b>	<b>10,84,049</b>	<b>1,25,003</b>	<b>1,45,83,805</b>

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

(₹ In '000)

Particulars	2019-20											
	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Miscellaneous	Total Miscellaneous
Employees' remuneration & welfare benefits	8,97,121	13,07,202	22,04,324	24,224	24,643	52,686	1,555	41,694	11,67,228	5,44,992	58,173	41,19,518
Company's contribution to Provident fund and others	50,274	73,255	1,23,529	1,476	1,501	3,210	95	2,221	62,185	39,932	3,543	2,37,692
Travel, conveyance and vehicle running expenses	45,639	66,500	1,12,139	911	927	1,981	58	1,998	55,921	24,640	2,187	2,00,762
Rents, rates & taxes	54,022	78,716	1,32,738	1,068	1,087	2,324	69	2,632	73,672	24,317	2,565	2,40,472
Repairs	1,00,972	1,47,126	2,48,098	1,997	2,031	4,343	128	4,919	1,37,924	45,450	4,796	4,49,686
Printing & Stationery	13,013	18,962	31,975	260	264	565	17	631	17,677	6,279	624	58,292
Communication expenses	30,524	44,477	75,002	595	606	1,295	38	1,488	41,693	13,718	1,431	1,35,865
Postage expenses	19,093	27,821	46,914	378	384	822	24	929	26,018	8,623	908	85,000
Legal & professional charges	21,267	30,988	52,254	289	208	441	13	7,347	21,488	4,551	890	87,482
<b>Auditors Fees, expenses, etc.</b>	-	-	-	-	-	-	-	-	-	-	-	-
a. As auditor	938	1,367	2,306	19	19	40	1	46	1,280	422	45	4,177
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	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and Publicity	18,99,962	27,68,449	46,68,411	40,464	41,163	88,006	2,598	99,668	14,25,397	-	98,165	64,63,872
Bank Charges & interest expenses others	26,073	37,991	64,063	516	525	1,122	33	1,270	35,556	11,736	1,237	1,16,059
GST Expenses	11,678	17,015	28,693	231	235	502	15	569	24,058	89,023	554	1,43,880
<b>Others :</b>	-	-	-	-	-	-	-	-	-	-	-	-
Directors' Sitting fees	631	920	1,551	12	13	27	1	31	861	284	30	2,810
Entertainment Expenses	9,674	14,096	23,769	257	261	558	16	389	10,898	6,689	615	43,453
Office Maintenance Expenses	34,600	50,415	85,015	684	696	1,488	44	1,685	47,185	15,574	1,645	1,54,016
Training & Recruitment Expenses	48,242	70,293	1,18,535	986	1,003	2,145	63	2,299	64,369	24,289	2,370	2,16,059
Depreciation	37,735	54,983	92,718	745	758	1,621	48	1,835	51,361	16,959	1,787	1,67,832
Office Management Expenses	12,969	18,897	31,866	256	261	558	16	632	17,686	5,838	617	57,730
Subscriptions and Membership Fees	7,706	11,228	18,934	152	155	331	10	375	10,509	3,469	366	34,301
Coinsurance Expenses (net)	164	238	402	39	566	1,965	344	34	4,592	49	(758)	7,233
Weather Insurance Charges	-	-	-	-	-	-	-	-	-	3,05,558	-	3,05,558
Miscellaneous expenses	7,777	11,332	19,109	46	47	142	3	113	3,203	1,039	111	23,813
<b>Total</b>	<b>33,30,074</b>	<b>48,52,271</b>	<b>81,82,345</b>	<b>75,605</b>	<b>77,353</b>	<b>1,66,172</b>	<b>5,189</b>	<b>1,72,805</b>	<b>33,00,761</b>	<b>11,93,431</b>	<b>1,81,901</b>	<b>1,33,55,562</b>

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021****Schedule-5****Share Capital**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
<b>Authorized Capital</b>				
30,00,00,000 (Previous Year 30,00,00,000 ) Equity Shares of ₹ 10 each		30,00,000		30,00,000
<b>Issued Capital</b>				
25,15,49,920 (Previous Year 25,15,49,920) Equity Shares of ₹ 10 each		25,15,499		25,15,499
<b>Subscribed Capital</b>				
25,15,49,920 (Previous Year 25,15,49,920) Equity Shares of ₹ 10 each		25,15,499		25,15,499
<b>Called Up Capital</b>				
25,15,49,920 (Previous Year 25,15,49,920) Equity Shares of ₹ 10 each		25,15,499		25,15,499
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		-		-
<b>Total</b>		<b>25,15,499</b>		<b>25,15,499</b>

Note: Entire 25,15,49,920 shares are held by Holding Company, Reliance Capital Limited (as at 31.03.2020 25,15,49,920 Equity shares).

**Schedule-5A****Pattern of Share Holding (As certified by the Management)**

(₹ In '000)

Shareholder	As at 31st March 2021		As at 31 March 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Promoters- Indian</b>				
Holding Company- Indian	25,15,49,920	100.00%	25,15,49,920	100.00%
Holding Company- Foreign	-	-	-	-
<b>Total</b>	<b>25,15,49,920</b>	<b>100.00%</b>	<b>25,15,49,920</b>	<b>100.00%</b>

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**Schedule-6**

**Reserves and Surplus**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
Capital Reserve		-		-
Capital Redemption Reserve		-		-
<b>Debenture Redemption Reserve:</b>				
Opening Balance	2,07,639		1,91,667	
Add:- Creation during the period	-		15,972	
Closing Balance		2,07,639		2,07,639
<b>Share Premium</b>				
Opening Balance	76,67,050		76,67,050	
Add :- Addition during the period	-		-	
Closing Balance		76,67,050		76,67,050
General Reserve		-		-
Catastrophe Reserve		-		-
Balance in Profit and Loss Account		1,01,52,731		80,71,547
<b>Total</b>		<b>1,80,27,420</b>		<b>1,59,46,236</b>

**SCHEDULE - 7**

**Borrowings**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
Debentures/ Bonds(Refer note no.19 of Schedule 17)		23,00,000		23,00,000
Banks		-		-
Financial Institutions		-		-
Others		-		-
Due within 12 month - Collateralized Borrowing and Lending Obligation (CBLO)*				
<b>Total</b>		<b>23,00,000</b>		<b>23,00,000</b>

**SCHEDULE - 8**

**Investments Shareholder**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
<b>LONG TERM INVESTMENTS</b>				
Government securities and Government guaranteed bonds including Treasury Bills	54,60,154		30,37,756	
Other Approved Securities	47,26,715		14,46,739	
<b>Other Investments :</b>				
(a) Shares				
(aa) Equity	-		-	
(bb) Preference	-		-	
(b) Mutual Funds	-		-	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	67,28,046		50,20,182	
(e) Other securities	85,449		33,686	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	13,99,106		16,37,053	
Other than Approved Investments	2,56,178		3,82,463	
Less - Provision for diminution in the value of investment	(43,198)		(23,563)	
<b>Total Long Term Investments</b>		<b>1,86,12,450</b>		<b>1,15,34,316</b>

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
<b>SHORT TERM INVESTMENTS</b>				
Government securities and Government guaranteed bonds including Treasury Bills	-		1,95,014	
Other Approved Securities	-		1,42,000	
<b>Other Investments :</b>	-		-	
(a) Shares	-		-	
(aa) Equity	3,71,316		1,46,242	
(bb) Preference	-		-	
(b) Mutual Funds	5,68,592		5,58,537	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	12,16,711		14,31,378	
(e) Other securities	9,24,770		2,86,323	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	1,69,309		1,63,780	
Other than Approved Investments	4,78,739		1,61,761	
Less - Provision for diminution in the value of investment	(68,273)		(38,057)	
<b>Total Short Term Investments</b>		36,61,164		30,46,978
<b>Total</b>		<b>2,22,73,614</b>		<b>1,45,81,294</b>

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

Particulars	As at 31.03.2021	As at 31.03.2020
Book Value	2,18,78,162	1,43,64,764
Market Value	2,21,94,108	1,45,79,675

2. All the above investments are performing assets except as specified in note no. 27 of Schedule 17
3. The company has segregate 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.
4. The Company has investments of ₹ 1,299,411 thousands in Non-Convertible Debentures (NCD's) of Reliance Capital Limited (RCL), which have been classified as doubtful assets on and from 17th January 2021 based on Prudential Norms for Income Recognition, Asset Classification and Provisioning issued under Insurance Regulatory & Development Authority of India's (IRDAI's) master circular on Preparation of Financial Statements. The management have estimated the realisable value of the NCD's considering all the available current information with regard to RCL's asset monetisation and disinvestment plans, and formulated its own realistic assessment of the realisable value of RCL's key assets/investments based on appropriate valuation benchmarks. Based on such assessment, the company has as a matter of prudence and abundant caution created provision of 30% of total investments in RCL amounting to ₹ 389,823 thousands and the management is confident of realisability of balance amount.
5. The Company has investments of ₹ 649,327 thousand in secured debentures of Reliance Home Finance Limited . During the year the Company has classified investments in RHFL as loss assets and have written off entire investment assets.

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**SCHEDULE - 8A**

**Investments Policyholder**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
<b>LONG TERM INVESTMENTS</b>				
Government securities and Government guaranteed bonds including Treasury Bills	2,64,89,802		1,95,07,131	
Other Approved Securities	2,29,31,544		92,90,320	
<b>Other Investments :</b>	-		-	
(a) Shares				
(aa) Equity	-		-	
(bb) Preference	-		-	
(b) Mutual Funds	-		-	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	3,26,40,952		3,22,37,396	
(e) Other securities	4,14,551		2,16,314	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	67,87,722		1,05,12,432	
Other than Approved Investments	12,42,834		24,56,011	
Less - Provision for diminution in the value of investment	(2,09,570)		(1,51,311)	
<b>Total Long Term Investments</b>		<b>9,02,97,835</b>		<b>7,40,68,293</b>
<b>SHORT TERM INVESTMENTS</b>				
Government securities and Government guaranteed bonds including Treasury Bills	-		12,52,296	
Other Approved Securities	-		9,11,860	
<b>Other Investments :</b>	-		-	
(a) Shares				
(aa) Equity	18,01,428		9,39,103	
(bb) Preference	-		-	
(b) Mutual Funds	27,58,511		35,86,677	
(c) Derivative Instruments	-		-	
(d) Debentures/ Bonds	59,02,842		91,91,679	
(e) Other securities	44,86,501		18,38,642	
(f) Subsidiaries	-		-	
(g) Investment Properties-Real Estate	-		-	
Investments in Infrastructure and social sector	8,21,396		10,51,724	
Other than Approved Investments	23,22,600		10,38,796	
Less - Provision for diminution in the value of investment	(3,31,224)		(2,44,385)	
<b>Total Short Term Investments</b>		<b>1,77,62,054</b>		<b>1,95,66,392</b>
<b>Total</b>		<b>10,80,59,889</b>		<b>9,36,34,685</b>

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

Particulars	As at 31.03.2021	As at 31.03.2020
Book Value	10,61,41,361	8,93,97,761
Market Value	10,76,74,165	9,07,35,243

2. All the above investments are performing assets except as specified in note no. 27 of Schedule 17

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

3. The company has segregate 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.
4. The Company has investments of ₹ 1,299,411 thousands in Non-Convertible Debentures (NCD's) of Reliance Capital Limited (RCL), which have been classified as doubtful assets on and from 17th January 2021 based on Prudential Norms for Income Recognition, Asset Classification and Provisioning issued under Insurance Regulatory & Development Authority of India's (IRDAI's) master circular on Preparation of Financial Statements. The management have estimated the realisable value of the NCD's considering all the available current information with regard to RCL's asset monetisation and disinvestment plans, and formulated its own realistic assessment of the realisable value of RCL's key assets/investments based on appropriate valuation benchmarks. Based on such assessment, the company has as a matter of prudence and abundant caution created provision of 30% of total investments in RCL amounting to ₹ 389,823 thousands and the management is confident of realisability of balance amount.
5. The Company has investments of ₹ 649,327 thousand in secured debentures of Reliance Home Finance Limited . During the year the Company has classified investments in RHFL as loss assets and have written off entire investment assets.

**SCHEDULE - 9****LOANS**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
<b>SECURITY-WISE CLASSIFICATION</b>				
Secured				
(a) On mortgage of property				
(aa) In India	-		-	
(bb) Outside India	-		-	
(b) On Shares, Bonds, Govt. Securities	-		-	
(c) Others (to be specified)	-		-	
Unsecured	-		-	
<b>TOTAL</b>		-		-
<b>BORROWER-WISE CLASSIFICATION</b>				
(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	-		-	
<b>TOTAL</b>		-		-
<b>PERFORMANCE-WISE CLASSIFICATION</b>				
(a) Loans classified as standard				
(aa) In India	-		-	
(bb) Outside India	-		-	
(b) Non-performing loans less provisions				
(aa) In India	-		-	
(bb) Outside India	-		-	
<b>TOTAL</b>		-		-
<b>MATURITY-WISE CLASSIFICATION</b>				
(a) Short Term	-		-	
(b) Long Term	-		-	
<b>TOTAL</b>		-		-

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

**Schedule 10**

**Fixed Assets**

Description	Gross Block						Depreciation			Net Block	
	As at 01-04-20	Additions	Deductions	As at 31-03-2021	As at 01-04-20	Additions	Deduction	As at 31-03-2021	As at 31-03-2021	As at 31-03-2021	
Furniture & Fittings	96,473	2,801	232	99,042	75,371	3,500	112	78,759	20,283	20,283	
Leasehold Improvements	1,01,896	9,423	477	1,10,842	80,357	11,411	468	91,300	19,542	19,542	
Information Technology Equipment	4,86,963	4,750	3,083	4,88,630	3,85,752	58,215	2,836	4,41,131	47,499	47,499	
Intangible Asset (Computer Software)	8,32,844	1,84,961	-	10,17,805	7,11,740	68,706	-	7,80,446	2,37,359	2,37,359	
Vehicles	14,092	3,365	14,092	3,365	3,972	1,799	5,734	37	3,328	3,328	
Office Equipment	2,00,564	21,839	4,146	2,18,257	1,56,419	18,435	3,836	1,71,018	47,239	47,239	
Plant & Machinery	3,798	-	-	3,798	3,766	-	-	3,766	32	32	
<b>Total</b>	<b>17,36,630</b>	<b>2,27,139</b>	<b>22,030</b>	<b>19,41,739</b>	<b>14,17,377</b>	<b>1,62,066</b>	<b>12,986</b>	<b>15,66,457</b>	<b>3,75,282</b>	<b>3,75,282</b>	
Capital WIP	92,685	1,08,748	90,928	1,10,505	-	-	-	-	1,10,505	1,10,505	
<b>Grand Total</b>	<b>18,29,315</b>	<b>3,35,887</b>	<b>1,12,958</b>	<b>20,52,244</b>	<b>14,17,377</b>	<b>1,62,066</b>	<b>12,986</b>	<b>15,66,457</b>	<b>4,85,787</b>	<b>4,85,787</b>	

**As at 31.03.2019**

Description	Gross Block						Depreciation			Net Block	
	As at 01-04-19	Additions	Deductions	As at 31-03-20	As at 01-04-19	Additions	Deduction	As at 31-03-20	As at 31-03-20	As at 31-03-20	
Furniture & Fittings	83,893	12,619	39	96,473	67,528	7,882	39	75,371	21,102	21,102	
Leasehold Improvements	87,879	14,017	-	1,01,896	67,559	12,798	-	80,357	21,539	21,539	
Information Technology Equipment	4,24,831	68,608	6,476	4,86,963	3,26,189	65,986	6,423	3,85,752	1,01,211	1,01,211	
Intangible Asset (Computer Software)	7,88,988	43,856	-	8,32,844	6,45,241	66,499	-	7,11,740	1,21,104	1,21,104	
Vehicles	14,092	-	-	14,092	2,211	1,761	-	3,972	10,120	10,120	
Office Equipment	1,77,879	27,992	5,307	2,00,564	1,41,763	19,502	4,846	1,56,419	44,145	44,145	
Plant & Machinery	3,798	-	-	3,798	3,766	-	-	3,766	32	32	
<b>Total</b>	<b>15,81,360</b>	<b>1,67,092</b>	<b>11,822</b>	<b>17,36,630</b>	<b>12,54,257</b>	<b>1,74,428</b>	<b>11,308</b>	<b>14,17,377</b>	<b>3,19,253</b>	<b>3,19,253</b>	
Capital WIP	7,814	88,435	3,564	92,685	-	-	-	-	92,685	92,685	
<b>Grand Total</b>	<b>15,89,174</b>	<b>2,55,527</b>	<b>15,386</b>	<b>18,29,315</b>	<b>12,54,257</b>	<b>1,74,428</b>	<b>11,308</b>	<b>14,17,377</b>	<b>4,11,938</b>	<b>4,11,938</b>	

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

## Schedule-11

## Cash and Bank Balances

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
Cash (including cheques, drafts and stamps on hand)		8,288		9,527
Bank Balances				
(a) Deposit Accounts				
(aa) Short - term (due within 12 months)**	15,706		14,476	
(aa) Others	-		-	
(b) Current Accounts*	16,07,104		6,95,716	
(c) Cheques on Hand	3,64,353	19,87,163	2,00,940	9,11,132
Money at Call and Short Notice				
(a) With Bank	-		-	
(b) With other Institutions	-	-	-	-
Others		-		-
<b>Total</b>		<b>19,95,451</b>		<b>9,20,659</b>
Balances with non-scheduled banks included in (Current Accounts) above		-		-
<b>Total</b>		<b>19,95,451</b>		<b>9,20,659</b>

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

\*Out of above ₹ 125,962 thousand (₹ 125,973 thousand as at 31.03.2020) are earmarked for specified purpose in a separate bank account.

## Schedule-12

## Advances and Other Assets

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
<b>Advances</b>				
Reserve deposits with Ceding Companies		-		-
Application money for investments		-		-
Prepayments		5,48,963		4,57,149
Advances to Directors/ Officers		-		-
Advance tax paid and taxes deducted at source (net of provision for taxation)		-		12,665
MAT Credit Entitlement		11,23,181		16,70,801
<b>Others</b>				
- Rental & Other Deposits	3,75,665		3,72,332	
- Advances to Staff	11,718		5,034	
- Unutilized Goods and Service Tax Credit	13,49,422		20,29,219	
- Other Advances & Deposits	11,72,373		10,09,253	
	29,09,178		34,15,838	
- Less Provision for doubtful advances	(1,56,495)	27,52,683	(86,728)	33,29,110
<b>Other Assets</b>				
Income accrued on investments	34,04,604		35,54,412	
Investments pertaining to Policyholder funds	6,93,601		5,83,690	
Outstanding Premiums	87,26,226		42,96,643	
Agents' Balances	6,573		11,452	
Foreign Agency Balances	-		-	
Investments Sales- to be settled	1,10,866		3,75,982	
Repossessed Stock	-		-	
Due from other entities carrying on insurance business	44,08,195		37,63,109	
Less Provision for doubtful debts	(3,00,191)		(2,10,000)	
Bank Balance / Investment on behalf of RHI	93,040	1,71,42,914	98,454	1,24,73,742
<b>Total</b>		<b>2,15,67,741</b>		<b>1,79,43,467</b>

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**Schedule-13**

**Current Liabilities**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
Agent's Balances		2,81,011		1,57,653
Balances due to other insurance companies		1,20,36,387		1,24,67,819
Premium received in Advance		71,21,045		64,92,914
Unallocated Premium		56,68,919		47,85,383
Interest Accrued but not due on Borrowings		1,30,167		1,30,958
Sundry Creditors		43,23,789		26,60,103
Claims Outstanding	7,60,08,520		6,40,19,640	
Add : Provision for Doubtful Reinsurance Recoveries	68,864	7,60,77,384	1,37,330	6,41,56,970
Due to Officers / Directors		-		-
Unclaimed amount of policyholders*(Refer note no.33 of Schedule 17)	7,56,431		7,37,990	
Add: Investment Income accruing on Unclaimed amount* (Refer note no.33 of Schedule 17)	1,44,206	9,00,637	1,27,732	8,65,722
<b>Others :</b>				
- Payable to policyholders*	51,874		87,249	
- Environmental Relief Fund Payable (Refer note no.17 of Schedule 17)	212		11	
- Temporary Book Overdraft as per accounts	41,02,204		9,05,272	
- Investments Purchased-to be settle	-		-	
- Employee Related Payables	7,42,253		7,39,847	
- Surplus available to RHIL	93,040		98,454	
- Statutory Dues	4,65,441		4,58,523	
- Goods and Service Tax Liability	4,93,610	59,48,634	54,207	23,43,563
<b>Total</b>		<b>11,24,87,973</b>		<b>9,40,61,085</b>

\* The company has segregated unclaimed amount of policy holder as per IRDAI Circular Ref: IRDA/F&A/CIR/Misc/282 /11/2020 dated:18<sup>th</sup> November, 2020

**Schedule-14**

**Provisions**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
Reserve for Unexpired Risk		1,92,01,685		1,37,45,496
For Taxation (less advance tax paid and taaxes deducted at ssource)		(1,01,394)		54,086
For Final Dividends		-		-
For Dividend distribution tax		-		-
Reserve for Premium Deficiency		-		-
<b>Others :</b>				
- For Gratuity	11,387		9,767	
- For Leave Encashment	6,822		7,351	
- For Phantom Share Liability	1,62,000		1,10,389	
- For Risk Reserves	1,00,000	2,80,209	1,00,000	2,27,507
<b>Total</b>		<b>1,93,80,500</b>		<b>1,40,27,089</b>

**Schedule – 15**

**Miscellaneous Expenditure**

(₹ In '000)

Particulars	As at 31st March 2021		As at 31 March 2020	
Discount Allowed in issue of shares/ debentures		-		-
Others (to be specified)		-		-
<b>Total</b>		<b>-</b>		<b>-</b>

**RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021**

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

(₹ In '000)

Particulars	Current Year	Previous Year
<b>Cash flows from operating activities :</b>		
Direct Premiums received	7,93,01,348	7,36,68,443
Payment to re-insurers, net of commissions and claims	(1,22,55,819)	(57,85,228)
Payment to co-insurers, net of claims recovery	(3,12,291)	(64,328)
Direct Claims Paid	(4,02,80,683)	(3,78,38,368)
Direct Commission / Brokerage Payments	(42,21,594)	(38,94,262)
Payment of other operating expenses	(1,41,92,580)	(1,37,36,176)
Preliminary and pre-operating expenses	-	-
Deposits, Advances, and Staff loans	5,16,205	(35,13,382)
GST/Service Tax (Net)	10,65,884	(16,61,005)
Income tax paid (Net)	(7,40,556)	(6,08,368)
Misc Receipts/payments	37,509	36,586
<b>Cash flow before extraordinary items</b>	<b>89,17,423</b>	<b>66,03,912</b>
Cash flow from extraordinary operations	-	-
<b>Cash flow from operating activities</b>	<b>89,17,423</b>	<b>66,03,912</b>
<b>Cash flows from investing activities :</b>		
Purchase of investments	(14,83,78,697)	(11,86,74,257)
Sale of Investments (Including gain/ Loss)	13,15,27,000	10,65,84,983
Purchase of fixed Assets	(3,35,887)	(2,55,527)
Proceeds from sale of fixed assets	96,558	5,079
Rent/ Interest/ Dividends received	86,10,855	71,02,896
Investment in money market instruments and in liquid mutual funds (Net)	(23,16,110)	(19,33,907)
Repayment received on Loan Given	-	-
Expenses related to investments	(29,863)	(32,601)
<b>Cash flow from investing activities</b>	<b>(1,08,26,144)</b>	<b>(72,03,334)</b>
<b>Cash flows from financing activities :</b>		
Proceeds from Issuance of Share Capital	-	-
Share Application Money Received	-	-
Proceeds from borrowings (net)	-	-
Repayment of borrowings	-	-
Borrowings issue expenses	-	-
Interest/ Dividend Paid	(2,13,419)	(3,74,791)
<b>Cash flow from financing activities</b>	<b>(2,13,419)</b>	<b>(3,74,791)</b>
<b>Net increase in cash &amp; cash equivalents</b>	<b>(21,22,140)</b>	<b>(9,74,213)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>15,387</b>	<b>9,89,600</b>
<b>Cash and cash equivalents at the end of the period including Bank Overdraft</b>	<b>(21,06,753)</b>	<b>15,387</b>
<b>Cash and cash Equivalent at the end of the period:</b>		
Cash & Bank balance as per schedule	19,95,451	9,20,659
Less: Temporary book over draft as per schedule 13	41,02,204	9,05,272
<b>Cash and Cash Equivalent at the end including Bank Overdraft</b>	<b>(21,06,753)</b>	<b>15,387</b>

Significant accounting policies and notes to accounts to the Financial Statements, refer schedule 16 &amp; 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 Uttam Abuwala Ghosh & Associates  
Chartered Accountants (FRN. 111184W)Ajaysingh Chauhan  
Partner, Membership No. 137918Dr. Thomas Mathew  
Director (DIN: 05203948)  
Place : GurugramMr. Rahul Sarin  
Director (DIN : 02275722)  
Place: GurugramFor Pathak H D & Associates LLP  
Chartered Accountants (FRN. 107783W / W100593)Vishal D. Shah  
Partner, Membership No. 119303Rakesh Jain  
Executive Director & CEO  
(DIN : 03645324)Hemant K. Jain  
Chief Financial OfficerPlace : Mumbai  
Date : 07th May, 2021Mohan Khandekar  
Company Secretary & Chief Compliance Officer  
(Membership No. A8515)

## SCHEDULE – 16

### Significant accounting policies forming part of the financial statements as at March 31, 2021

#### 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”) and is in the business of underwriting general insurance relating to Fire, Marine and Miscellaneous segments.

The Company’s Unsecured, Subordinated, Fully Paid-up; Listed, Redeemable Non-Convertible Debentures (NCDs) are listed on the Bombay Stock Exchange (BSE).

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 onwards.

#### 2. Basis of Preparation of Financial Statements

The financial statements have been prepared and presented on a going concern basis under historical cost convention and on the accrual basis of accounting and in accordance with the provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), 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 Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (to the extent applicable) and the Companies Act, 2013 (to the extent applicable) in the manner so required and current practices prevailing within general insurance operations in India.

The financial statements are presented in Indian rupees rounded off to the nearest thousand.

#### 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 the estimates and assumptions used in preparing the accompanying financial statement. 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 Goods and 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 recognized 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 of farmer’s share received from the Nodal Banks out of such premium collected by them subject to acceptance of proposal/ declaration by the Company. Adjustments to premium income for corrections to area covered under crop insurance are recognized in the period in which the information is confirmed by the concerned Government/nodal agency.

In case of long term motor insurance policies for new cars and new two wheelers sold on or after September 01st 2018, premium received (net of Goods and Service Tax) for third party liability coverage is recognized equally over the policy period at the commencement of risk on 1/n basis, where “n” denotes the term of the policy in years and premium received for own damage coverage is recognized in proportion to the Insured Declared Value (IDV) from year to year, basis scales of depreciation provided under Indian Motor Tariff.

##### b. Commission 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****i. Interest/dividend Income**

Interest income is recognized on accrual basis. Dividend is recognized when right to receive dividend is established.

**ii. Premium/discount on purchase of investments**

Accretion of discount and amortization of premium relating to debt securities is recognized over the holding / maturity period on constant yield to maturity method.

**iii. Profit/loss on sale of securities**

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 and in case of long term motor insurance policies for new cars and new two wheelers sold on or after 1st September, 2018 premium allocated to subsequent periods.

**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 months is recognized as reserve for Unexpired Risk.

**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 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 by the Appointed Actuary of the Company.

**9. Acquisition Cost**

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts and are expensed in the period in which they are incurred. With effect from 1st September, 2018 all motor third party insurance cover for new cars and new two wheelers should mandatorily be for a period of three years and five years respectively. Accordingly acquisition cost on long term cover shall be recognised in the year in which gross premium is recognised as per IRDAI Circular No. IRDAI/NL/CIR/MOT/137/08/2018 dated 28th August, 2018.

#### 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.

#### 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 recognized at the Company level. The Company considers maintenance cost as relevant cost incurred for ensuring claim handling operations. The Premium Deficiency is calculated and duly certified by 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 an y 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 as 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. The impairment loss, other than considered temporary, 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 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/amortization.
- ii. Depreciation on Fixed Assets is provided on straight line method using the rates based on the economic useful life of assets as estimated by the management/limits specified in Schedule II of the Companies Act, 2013.
- iii. Lease Hold Improvements, is amortized over the primary period of lease or useful life as determined by management, whichever is lower.
- 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. Useful life of Tangible and Intangible assets estimated by the management are follows:

**Tangible Assets :**

S. No.	Description	Useful Life
1	Furniture & Fixtures	10 Years
2	Information Technology Equipment*	2-3 Years
3	Information Technology Equipment (Server)	6 Years
4	Vehicles	8 Years
5	Office Equipment (Camera and Mobile)*	2 Years
6	Office Equipment (Others)	5 Years
7	Plant & Machinery	5 Years

\*Based on technical advice

**Intangible Assets:**

S. No.	Description	Useful Life
1	Intangible Asset (Computer Software)*	4 Years

\*Based on technical advice

**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. Cash and Cash Equivalents**

Cash and Cash equivalents include cash and cheques in hand, bank balances and other investments including fixed deposits with original maturity of twelve months or less which are subject to insignificant risk of changes in value.

**18. 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) or profit and loss account over the lease term on straight-line basis.

**19. 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 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 benefits are already vested, past service cost is recognized.

### III. Other Long Term Employee Benefits

Provision for other long term benefits 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 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.

### 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 as at balance sheet date 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.

### V. Employee stock option policy

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

## 20. 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 balance sheet dates are reinstated at the rates prevailing on that date. 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.

## 21. 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.

## 22. 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.

Goods and Service Tax ("GST") collected (net of refunds) is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted. Unutilized GST credits, if any, are carried forward for adjustment in subsequent periods.

At the end of every reporting period, the company assesses whether the unutilized GST credit are eligible for carry forward as per the related legal provisions. Any ineligible GST credit is expensed out on such determination.

## 23. Allocation of Expenses

The Company has a Board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016.

Accordingly, 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, except advertisement and publicity expenses, which are not allocated, where business is sourced through tender bidding towards government sponsored schemes for Health and Crop and Weather.

Further, if operating expenses are within allowable limit at overall level, but is in excess of segmental limits, such excess of segmental limits will be reduced proportionately from each expenditure head and are borne by the shareholders.

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

#### **24. Allocation of Investment Assets**

Investments assets are bifurcated into Policyholders and Shareholders funds on notional basis as prescribed by the Authority .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.

#### **25. 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.

#### **26. 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.

#### **27. Provision, Contingent Liabilities and Contingent Assets**

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognized but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. Show cause notices issued by various Government Authorities are not considered as Obligation. When the demand notice are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognized nor disclosed in the financial statement.

**SCHEDULE – 17 - Notes forming part of the Accounts as on March 31, 2021**

**1. Contingent Liabilities:**

(₹ in '000)

Particulars	As on March 31, 2021	As at March 31, 2020
Partly paid up investments	-	-
Underwriting commitments outstanding	-	-
Claims, other than under policies, not acknowledged as debt (Net)	653,398	650,622
Guarantees given by or on behalf of the company	11,267	4,000
Statutory demands/liabilities in dispute, not provided for	2,349,458	2,349,458
Reinsurance obligations to the extent not provided for in accounts	-	-
Others (see note (e) below)	13,925	13,925

**Note :**

- a) The Company has received adverse order on the issue of wrong availment of cenvat credit amounted to ₹ 274,566 thousand for the period FY 2009 -10 to FY 2012-13. A penalty is also imposed on the said order of ₹ 274,566 thousand excluding interest as applicable and not quantified in the order. The Company has filed an appeal with CESTAT against the same.
  - b) The Company has received adverse order on the issue of wrong availment of cenvat credit on TP Pool amounted to ₹ 462,837 thousand for the period FY 2011-12. A penalty is also imposed on the said order of ₹ 462,837 thousand excluding interest as applicable and not quantified in the order. The Company has filed an appeal with CESTAT against the same.
  - c) The Company has received adverse order on the issue of wrong availment of cenvat credit on Services by Motor Vehicle Dealers amounted to ₹ 335,141 thousand for the period FY 2010-11 to 2015-16. A penalty is also imposed on the said order of ₹ 224,504 thousand excluding interest as applicable and not quantified in the order. The Company has filed an appeal with CESTAT against the same. Show Cause Notice for the subsequent period upto June 2017 has been received amounting to ₹ 305,439 thousand.
  - d) The Company had disputed the demand raised by the income tax department for section 14A disallowance for ₹ 367 thousand for A.Y. 2007-08 and ₹ 2,621 thousand for A.Y. 2017-18 and penalty u/s 271(1)(c) for ₹ 6580 thousand for A.Y.2008-09.
  - e) Statutory bonus of ₹ 13,925 thousand 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. According to the information available with the Company there are no dues (Previous Year ₹ Nil) payable to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 as at March 31,2021.
  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 period.
5. **Commitments**
    - i. There are no commitments made and outstanding for Loans in the current financial year (Previous year ₹ Nil).
    - ii. The commitments made and outstanding for Investments are ₹ 52,500 thousand (Previous year ₹ 71,056 thousand).
    - iii. Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is ₹ 198,807 thousand (Previous year ₹ 76,991 thousand).
6. **Premium:**
    - i. All premiums net of reinsurance are written and received in India.
    - ii. Premium income recognised on "Varying Risk Patten" is Nil. (Previous year Nil)

## 7. Claims

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

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
In India	20,732,278	24,906,644
Outside India	85,941	78,824

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

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
More than six months	25,713,668	24,213,863
Others	7,919,568	9,010,853

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

## 8. Investments

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

Particulars	As at March 31, 2021	As at March 31, 2020
Purchases where deliveries are pending	Nil	Nil
Sales where payment are overdue	Nil	Nil
Sales where deliveries are pending	110,866	375,982

- ii. Historical cost of investments valued at fair value on Balance Sheet date is ₹ 7,113,507 thousand (Previous year ₹ 7,458,007 thousand).

## 9. Employee Benefits

- i. Defined Contribution Plan: During the year, the Company has recognized ₹ 162,127 thousand as expenses (Previous year ₹ 160,984 thousand)  
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 period ended March 31, 2021	For the Year ended March 31, 2020
<b>I. Assumptions</b>		
Discount Rate	6.33%	6.56%
Rate of Return on Plan Assets	6.33%	6.56%
Salary Escalation	7.00%	7.00%
<b>II. Table Showing Change in Benefit Obligation</b>		
Liability at the beginning of the Year	247,926	191,113
Interest Cost	16,264	12,919
Current Service Cost	36,886	23,474
Liability Transferred In/Acquisitions	2,741	620
Benefit Paid	(20,305)	(24,795)

(₹ in '000)

Gratuity	For the period ended March 31,2021	For the Year ended March 31, 2020
Actuarial (Gain)/Loss on Plan Obligation	13,964	44,595
Liability at the end of the year	297,476	247,926
<b>III. Tables of Fair value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the Year	238,159	186,267
Expected Return on Plan Assets	15,623	12,591
Contributions	24,936	74,969
Asset Transferred In/Acquisitions	2,741	620
Benefit Paid	(20,305)	(24,795)
Actuarial Gain/(Loss) on Plan Assets	24,935	(11,493)
Fair Value of Plan Assets at the end of the year	286,089	238,159
Total Actuarial (Gain)/Loss to be recognized	(10,971)	56,088
<b>IV. Actual Return on Plan Assets</b>		
Expected return on Plan Assets	15,623	12,591
Actuarial Gain/(Loss) on Plan Assets	24,935	(11,493)
Actual return on Plan Assets	40,558	1,098
<b>V. Amount Recognised in the Balance Sheet</b>		
Liability at the end of the year	297,476	247,926
Fair Value of Plan Assets at the end of the year	286,089	238,159
Difference	11,387	9,767
Amount Recognised in the Balance Sheet	11,387	9,767
<b>VI. Expenses Recognised in the Income Statement</b>		
Current Service Cost	36,886	23,474
Interest Cost	16,264	12,919
Expected Return on Plan Assets	(15,623)	(12,591)
Net Actuarial (Gain)/Loss to be recognized	(10,971)	56,088
Expense Recognised in P&L	26,556	79,890
<b>VII. Amount Recognised in the Balance Sheet</b>		
Opening Net Liability	9,767	4,846
Expense as above	26,556	79,890
Employers Contribution Paid	24,936	74,969
Closing Net Liability	11,387	9,767

**Investment pattern of Gratuity Fund:**

Particulars	Invested as on March 31,2021	Invested as on March 31,2020
Insurance Fund	286,089	238,159

As the gratuity fund is managed by Reliance Nippon Life Insurance Company.

## Experience adjustments

(₹ in '000)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2019	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Defined benefits obligations	297,476	247,926	191,113	159,624	129,889
Plan assets	286,089	238,159	186,267	152,491	127,280
Surplus/ (Deficit)	(11,387)	(9,767)	(4,846)	(7,133)	(2,609)
Experience adjustment for plan liabilities (Gain)/Losses	7,120	24,270	23,455	21,660	16,558
Experience adjustment for plan Asset Gains/ (losses)	24,935	(11,493)	1,761	(1,314)	4,361

## 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	As on March 31, 2021	As on March 31, 2020
<b>Deferred Tax Asset</b>		
Related to Fixed Assets	54,154	52,332
Related to Leave Encashment Provision	-	-
Long Term Employee Benefit	56,609	38,574
Provision for Doubtful Debt/Advances	417,894	423,215
Unabsorbed Depreciation	-	-
<b>Total</b>	<b>528,657</b>	<b>514,121</b>
<b>Deferred Tax Asset/(Liability)(Net)</b>	<b>528,657</b>	<b>514,121</b>
<b>Deferred Tax Expense/(Income) recognised in Profit and Loss A/c</b>	-	-

The Company has Deferred Tax Asset in the form of disallowances under Income Tax Act. The 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	
	As at March 31, 2021	As at March 31, 2020
Outstanding at the beginning	783,081	1,456,751
Granted	Nil	Nil
Exercised	98,039	537,652
Lapsed/ Forfeited/Surrendered	Nil	136,018
Outstanding at the end	685,042	783,081
Exercisable	685,042	489,682

(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 (Post bonus ₹ 61)
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 option	Booked value X Fixed Multiplier (3.5 times)
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, 2021	For the Year ended March 31, 2020
Discount rate	6.33%	6.56%
Expected Life	2 Years	3 Years

(v) The Company's liability towards the scheme is accounted for on the basis of an independent actuarial valuation. 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/(gain) recognised for the year ended March 31, 2021 is ₹ 71,546 thousand (Previous year ₹ 22,642 thousands).

## 12. Employee Stock Option Scheme (ESOP)

Reliance General Insurance Company Limited Employee Stock Option Scheme is in compliance with the SEBI ESOP Regulations and the Companies Act, 2013, and is accounted for in accordance with guidance notes issued by ICAI and the relevant accounting standards, further salient features in relation to the options granted in 2017, 2018, 2019 and 2020 are as follows:

### Grant 2017 as on March 31,2021

Particulars	Details
Date of Grant	4 <sup>th</sup> August, 2017
Options granted	2,197,764 options
Pricing formula	Booked value X Fixed Multiplier (3.25 times)
Exercised during the year	Nil
Vested during the year	718,449 options
Exercise price of options (in Rs)	179 per option
Vesting period	The vesting period specified under RGICL ESOP is 4 Years
Options lapsed/ forfeited/ cancelled	345,432 options were lapsed/ forfeited/ cancelled.
Total number of options in force	1,852,332

**Grant 2018 as on March 31,2021**

Particulars	Details
Date of Grant	27 <sup>th</sup> April, 2018
Options granted	1,915,631 options
Pricing formula	Booked value X Fixed Multiplier (3.25times)
Exercised during the year	Nil
Vested during the year	829,114
Exercise price of options (in Rs)	198 per option
Vesting period	The vesting period specified under RGICL ESOP is 4 Years
Options lapsed/ forfeited/ cancelled	257,403 options were lapsed/ forfeited/ cancelled.
Total number of options in force	1,658,228

**Grant 2019 as on March 31,2021**

Particulars	Details
Date of Grant	28 <sup>th</sup> June,2019
Options granted	2,059,629 options
Pricing formula	Booked value X Fixed Multiplier (3.25 times)
Exercised during the year	Nil
Vested during the year	487,349
Exercise price of options (in Rs)	206 per option
Vesting period	The vesting period specified under RGICL ESOP is 4 Years
Options lapsed/ forfeited/ cancelled	110,234 options were lapsed/ forfeited/ cancelled.
Total number of options in force	1,949,395

**Grant 2020 as on March 31,2021**

Particulars	Details
Date of Grant	29 <sup>th</sup> April, 2020
Options granted	436,986 options
Pricing formula	Booked value X Fixed Multiplier (3.25 times)
Exercised during the year	Nil
Vested during the year	Nil
Exercise price of options (in Rs)	146 per option
Vesting period	The vesting period specified under RGICL ESOP is 4 Years
Options lapsed/ forfeited/ cancelled	Nil
Total number of options in force	436,986

The Company has chosen to account by the Intrinsic Value Method. The total expense recognized for the year arising from stock option plan as per Intrinsic Value Method is Nil (Previous Year Nil). There is no impact of fair value method on granted option, accordingly no change in earning per share.

**13. 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. The Premium Deficiency is calculated and duly certified by the Appointed Actuary of the Company.

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

(₹ in '000)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Outsourcing Expenses Paid by the Company	1,648,983	1,630,507
Business Development	288,186	566,885
Marketing Support	8,759,208	6,255,144

**15. Terrorism Pool**

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

In accordance with the terms of the agreement, GIC 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.

**16. India Nuclear Insurance Pool**

In View of the passage of the civil liability for Nuclear Damage Act, 2010, GIC Re as Indian Reinsurer initiated the formation of the India Nuclear Insurance Pool (INIP) along with other domestic non-life insurance companies by pooling the capacity to provide insurance cover for nuclear risks. INIP is an unregistered reinsurance arrangement among its members i.e. capacity providers without any legal entity. GIC Re & 11 other non-life insurance companies are founder members with their collective capacity of ₹ 15,000,000 thousand. GIC Re is also appointed as the pool manager of the INIP. The business underwritten by the INIP will be retroceded to all the member companies including GIC Re in proportion of their capacity collated. Out of the total capacity of ₹ 15,000,000 thousand of the INIP the capacity provided by the company is ₹ 2,000 thousand.

In accordance with the terms of the agreement, GIC Re retrocede to the company to the extent of the company's share in the risk which is recorded as reinsurance accepted based on the half yearly statements received from GIC Re.

**17. Contribution to Environment Relief Fund**

For the year ended March 2021, the Company had collected ₹ 1,898 thousand (Previous year ₹ 1,819 thousand) towards Environment Relief Fund (ERF) for public liability policies and an amount of ₹ 1,886 thousand (Previous year ₹ 1,865 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 ₹ 212 thousand (Previous year ₹ 11 thousand) is shown under current liabilities in schedule 13.

**18. 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 and as per letter no. HO/MTD/Solatium Fund/2010/482 dated July 26, 2010 from the New India Assurance Co. Ltd (Scheme administrator), 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.

## 19. Terms Of Borrowings

Gist of the terms of issue are as follows:

Series	A NCD 01 Type I
Type, Nature and Seniority of Instrument	Rated, listed, unsecured, subordinated, redeemable and non convertible debentures
Face Value (per security)	₹ 1,000 in thousand
Issue Size	₹ 23,00,000 in thousand
Issue Date / Date of Allotment	16 <sup>th</sup> August, 2016
Redemption Date	17 <sup>th</sup> August, 2026
Coupon Rate	9.10% per annum
Credit Rating	“BWR A+” by Brickwork and “CARE A” by CARE
Listing	Listed on WDM on BSE
Frequency of the Interest Payment	Annual

### Maturity Pattern from the date of issue

(₹ in '000)

Maturity Buckets	Borrowings
1 to 5 years	-
Above 5 years	2,300,000
<b>Total</b>	<b>2,300,000</b>

Pursuant to IRDAI circular no. IRDA/F&A/OFC/01/2014-15/115 dated August 4, 2017, and as required by Companies (Share Capital and Debentures) Rules 2014, the Company has created Debenture Redemption Reserve for ₹ 15,972 thousand (Previous year ₹ 63,889 thousands), thereafter no more Debenture Redemption Reserve is required to be created pursuant to amendment to the Companies (Share Capital and Debentures) Rules, 2014 dated 16th August 2019.

20. MAT credit entitlement amounting to ₹ 1,123,181 thousand (Previous year ₹ 16,70,801 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.

## 21. 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, 2021	For the Year ended March 31, 2020
Not later than one year	113,626	65,448
Later than one year and not later than five years	217,417	91,667
Later than five years	1,411	4,302

Lease payment debited to the Revenue account during the year ₹ 244,420 thousand (Previous year ₹ 240,536 thousand).

## 22. Sector wise business based on Gross Direct Premium

Particulars	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
	GDP (₹ in '000)	% of GDP	GDP (₹ in '000)	% of GDP
Rural	26,239,476	31.57	19,181,043	25.69
Urban	56,863,324	68.43	55,469,365	74.31
<b>Total</b>	<b>83,102,800</b>	<b>100.00</b>	<b>74,650,408</b>	<b>100.00</b>

Particulars	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
	GDP (₹ in '000)	No. of lives	GDP (₹ in '000)	No. of lives
Social Sector	25,585,071	7,095,572	17,818,232	2,369,241

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

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
	% of business written	% of business written
Risk Retained	46%	51%
Risk Reinsured	54%	49%

**24. Managerial Remuneration:**

(₹ in '000)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries	72,196	60,196
Contribution to Provident Fund and Superannuation	3,723	3,723
Provision for Gratuity and Leave Encashment	2,281	2,280

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

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

**25. Basis used for determining IBNR / IBNER and Valuation of Liabilities as at March 31, 2021**

The liability for IBNR and IBNER as at March 31, 2021 has been estimated by 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, Frequency - Severity and Expected Ultimate Loss Ratio method of estimation was also applied for some lines as considered appropriate by the Appointed Actuary.

**26. 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, 2021.**

**27. Provision in Investments held in IL&FS and Reliance Capital Group Companies:**

**(i) IL&FS**

The Company has investments of ₹ 349,922 thousand in secured debentures of IL&FS. As on 31st March, 2021, the Company is carrying provision of 75% of total investments amounting to ₹ 262,441 thousand, which in the opinion of the management of the Company is considered appropriate as required to be made as per Prudential Norms for Income Recognition, Asset Classification and Provisioning issued under Insurance Regulatory & Development Authority of India's (IRDAI's) master circular on Preparation of Financial Statements via circular no. IRDA/F&I/CIR/F&A/231/10/2012 dated 05th October, 2012.

**(ii) Reliance Capital Limited (RCL)**

The Company has investments of ₹ 1,299,411 thousands in Non-Convertible Debentures (NCD's) of Reliance Capital Limited (RCL), which have been classified as doubtful assets on and from 17th January 2021 based on Prudential Norms for Income Recognition, Asset Classification and Provisioning issued under Insurance Regulatory & Development Authority of India's (IRDAI's) master circular on Preparation of Financial Statements. The management

have estimated the realisable value of the NCD's considering all the available current information with regard to RCL's asset monetisation and disinvestment plans, and formulated its own realistic assessment of the realisable value of RCL's key assets/investments based on appropriate valuation benchmarks. Based on such assessment, the company has, as a matter of prudence and abundant caution, created provision of 30% of total investments in RCL amounting to ₹ 389,823 thousands and the management is confident of realisability of balance amount.

### (iii) Reliance Home Finance Limited (RHFL)

The Company has investments of Rs 649,327 thousand in secured debentures of Reliance Home Finance Limited. During the year the Company has classified investments in RHFL as loss assets and have written off entire investment assets.

28. All the shares of the Company were transferred (in Demat form) from Reliance Capital Limited (RCL) to IDBI Trusteeship Services Limited ("ITSL"), upon invocation of Pledge by ITSL. However, the Company did not register the said transfer in the Register of Beneficial Owners of the Shares maintained under Section 6A of the Insurance Act, 1938. Securities Appellate Tribunal ("SAT") vide its order dated 27.01.2020 had inter-alia recorded that "ITSL is holding the pledged shares as a Custodian" and also directed that "so long as ITSL is holding RGICL shares in the capacity as a trustee/ custodian, it will not exercise any control over RGICL or make changes or have a say in the management or decision-making process of RGICL or exercise any voting rights in respect of the shares of RGICL". ITSL had filed an Appeal before SAT, seeking an order inter alia directing IRDAI to further direct RGICL to furnish to ITSL all documents, information, and details requested by ITSL for the purposes of enabling the due diligence exercise by the potential purchasers to consummate the sale of the RGICL Shares. SAT vide its final order dated December 18, 2020 directed RGICL and RCL to provide the requisite information/ documents to ITSL as desired by them within 4 weeks. The Company has filed an appeal before the Supreme Court against the SAT order dated December 18, 2020 requesting to set aside the same.
29. Reliance Health Insurance Limited (RHIL) had transferred all the Investments and balance lying in cash and bank account to the Company ("RGICL") on the appointed date, in compliance with the order issued by the Authority via Order no. IRDA/ F&A/ORD/SOLP/200/11/2019 dated 06th November 2019.

From the appointed date, the Company has complied with directions issued by the Authority and has administrated funds received from RHIL as follows:

- The Company has kept all the assets and liabilities of RHIL separate from its general insurance business
- The Company has not issued any new policy on behalf of RHIL nor renewed any policy from RHIL portfolio. Policyholders of RHIL have also been provided opportunity and choice of portability of their policies to other insurers, including RGICL.
- Company has settled the claims and refunds of policyholder arising out of transferred RHIL's policyholders' portfolio. Below is the statement of position of portfolio since the appointed date.

Particulars	₹ in '000
Portfolio transferred from RHIL	1,06,131
Add:- Transfer of additional fund received from vendors of RHIL	1,249
Less:- Premium Refunds*	3,199
Less:- Claim Paid/Settled* (Gross Value)	13,175
Add:- Tax deducted at source on Claim Paid/Settled	83
Add:- Transfer of profit from redemption of Investments of RHI Funds	1,951
Balance as on March 31, 2021	93,040

\*Includes cheques issued and not represented in bank till date

The Company has displayed the procedure for settlement of claims along with FAQ regarding servicing of RHIL's policyholders and copy of the IRDAI's Order on the website of the Company and on the notice board of all its offices and branches.

Further, the Company had submitted application to the Authority for its in-principle approval for amalgamation along with the request for extensions of application fees. However, IRDAI vide its letter ref: 410/F&A (NL)/Merger/RGI-RHI/2019-20/P1/296 dated December 24, 2020 has rejected the application due to non-payment of the application fees.

30. In light of the Covid -19 outbreak and the information available upto the date of approval of these financial statements, the Company has assessed the impact of Covid -19 on its operations and financial statements. The assessment includes but is not limited to valuation of investments, valuation of policy related liabilities and solvency position of the company as at March 31, 2021. Further, there have been no material changes in the controls or processes followed in the financial closing process of the company. The company continues to closely monitor the implications of the second -wave of Covid-19 on its operations and financial statements .which are dependent on emerging uncertain developments.
31. The Code of Social Security, 2020 ('Code) relating to employee benefits during employment and post- employment benefits received Presidential assent in September 2020 and has been published in the Gazette of India. The Ministry of Labour and Employment has released draft rules ('Rules") for the code on November 13, 2020, the final Rules and the Effective date of the Code is awaited .The company will assess the impact of the Code once rules are notified and will record impact in the period when the Code becomes effective.
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 as on 31st March, 2021

(₹ in '000)

SI No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	None None	Nil (Nil)	Nil (Nil)	Nil (Nil)
2	Service Tax Authorities/ GST Authorities	Wrong availment of ineligible cenvat credit on exempt business. Wrong availment of ineligible cenvat credit on exempt business.	1,057 (698)	1,057 (698)	Nil (Nil)
3	Income Tax Authorities	None None	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Any other Tax Authorities	None None	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	None 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 None	Nil (Nil)	Nil (Nil)	Nil (Nil)
7	Penalty awarded by any Court/ Tribunal for any matter including claim Settlement but excluding compensation	None None	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Securities and Exchange Board of India	None None	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Competition Commission of India	None None	Nil (Nil)	Nil (Nil)	Nil (Nil)
10	Any other Central/State/ Local Government/ Statutory Authority	None None	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Previous year figures are in brackets)

33. As per IRDAI Master Circular on Unclaimed amount of policy holders reference no IRDA/F&A/CIR/Misc/282 /11/2020 dated 18<sup>th</sup> November, 2020, below table mention the age-wise analysis of unclaimed amount of the policyholders as on March 31, 2021.

(₹ in '000)

Particulars	Total Amt	0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	37-120 months	More than 120 months
a) Claim Settled but not paid to the policy holders /beneficiaries due to any reason except under litigation from the policyholders/beneficiaries	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
b) Sum due/payable to the policyholder/beneficiaries on maturity or otherwise.	Nil (Nil)	Nil (Nil)	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/beneficiaries either as per the terms of the conditions of the policy or as per Law or as may be directed by the authority but not refunded so far.#	173,667 (154,212)	81,315 (67,013)	5,982 (8,893)	12,397 (6,308)	9,328 (5,558)	6,418 (6,148)	5,895 (3,854)	52,332 (56,438)	Nil (Nil)
d) Cheques issued but not encashed by the policyholder/beneficiaries.#	726,971 (711,510)	45,534 (173,271)	138,223 (45,147)	41,762 (44,119)	39,733 (23,933)	40,238 (25,159)	20,329 (32,183)	401,152 (367,698)	Nil (Nil)

(Previous year figures are in brackets)

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

Further, as per the Circular no IRDA/F&A/CIR/Misc/282 /11/2020 dated 18<sup>th</sup> November, 2020 the details of unclaimed amounts and investment income thereon are as follows:

(₹ in '000)

Particulars	Current Year		Previous Year	
	Policy Dues	Income Accrued	Policy Dues	Income Accrued
Opening Balance	7,37,992	1,27,732	6,33,927	90,812
Add : Amount Transferred to Unclaimed amount	6,18,409	-	3,90,741	-
Add: Cheques issued out of the Unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	-	-	-	-
Add: Investment Income	-	23,637	-	43,788
Less: Amount paid during the Year	5,61,114	1,925	2,65,400	305
Less: Amount transferred to SCWF	38,856	5,238	21,278	6,563
Closing balance of Unclaimed amount	7,56,431	1,44,206	7,37,990	1,27,732

## Reliance General Insurance Company Limited

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\* :

<b>Holding Company</b>	
Reliance Capital Limited	
<b>Subsidiary of Holding Company</b>	
1	Reliance Capital Pension Fund Limited
2	Reliance Nippon Life Insurance Company Limited
3	Reliance Health Insurance Limited
4	Reliance Commercial Finance Limited
5	Reliance Securities Limited
6	Reliance Commodities Limited
7	Reliance Financial Limited
8	Reliance Wealth Management Limited
9	Reliance Money Solutions Private Limited
10	Reliance Money Precious Metals Private Limited
11	Reliance Exchangenext Limited
12	Reliance Corporate Advisory Services Limited
13	Quant Capital Private Limited
14	Quant Broking Private Limited
15	Quant Securities Private Limited
16	Quant Investment Services Private Limited
17	Gulfoss Enterprises Private Limited
18	Reliance Underwater Systems Private Limited
<b>Key managerial personnel</b>	
19	Mr. Rakesh Jain (ED & CEO)

\* As certified by the management

### 2. Transactions during the year with related parties

(₹ in '000)

S. No.	Name of the Related Party	Relationship	Nature of transaction	For the Period ended 31st March, 2021	For the Period ended 31st March, 2020
1	Reliance Capital Limited	Holding Company	Premium Received (net of refund)	12,496	16,212
			Management fees paid	60,000	60,000
			Reimbursement paid for IT services	20,587	28,767
			Dividend Payment	-	1,25,775
			Interest Income accrue on debentures/bonds	-	58,865
			Interest Income reversed on debentures/bonds	-	61,458
			Interest Income received on debentures/bonds	-	38,132
			Investments in Debentures/Bonds	12,99,412	12,99,412
			Provision for doubtful debts against Investments in Debentures/Bonds	3,89,823	1,29,941
			Outstanding balance in Customer Deposit Account	35,004	40,441
			Reimbursement received towards DRHP filing fees	-	31,749
			Sale of fixed assets	-	18
			Creditors	-	60,204

S. No.	Name of the Related Party	Relationship	Nature of transaction	For the Period ended 31st March, 2021	For the Period ended 31st March, 2020
2	<b>Reliance Securities Limited</b>	Fellow Subsidiary	Premium Received (net of refund)	11,661	19,163
			Commission paid	1,547	3,322
			Purchase of Biometric Device	-	104
			Reimbursement received for expenses (Rent, Communication, Electricity, canteen expenses)	104	144
			Brokerage paid for stock exchange trading	359	344
			Outstanding balance in Customer Deposit Account	1,533	14,795
			Creditors	-	508
			Debtors	64	-
3	<b>Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)</b>	Fellow Subsidiary	Premium Received (net of refund)	70,134	74,118
			Group Term Insurance Paid	10,572	12,955
			Reimbursement received for expenses (Rent, Communication, Electricity, canteen expenses)	-	12
			Transaction of Sale of Security	-	2,66,376
			Debtors	5,386	5,386
			Outstanding balance in Customer Deposit Account	2,837	41,673
4	<b>Reliance Wealth Management Limited</b>	Fellow Subsidiary	Premium Received (net of refund)	145	2,396
			Outstanding balance in Customer Deposit Account	-	873
5	<b>Reliance Money Solutions Private Limited</b>	Fellow Subsidiary	Premium Received (net of refund)	63	211
			Outstanding balance in Customer Deposit Account	113	5
6	<b>Reliance Health Insurance Limited</b>	Fellow Subsidiary	Premium Received (net of refund)	226	6,082
			Outstanding balance in Customer Deposit Account	19	1,009
			Reimbursement received for expenses (Rent, Communication, Electricity, canteen expenses)	-	630
			Surplus available to RHIL	93,035	98,454
			Debtors	-	1,817
7	<b>Reliance Commodities Limited</b>	Fellow Subsidiary	Premium Received (net of refund)	505	736
			Outstanding balance in Customer Deposit Account	151	542
8	<b>Reliance Financial Limited</b>	Fellow Subsidiary	Premium Received (net of refund)	754	352
			Outstanding balance in Customer Deposit Account	29	134
9	<b>Reliance Capital Pension Fund Limited</b>	Fellow Subsidiary	Premium Received (net of refund)	-	142
			Outstanding balance in Customer Deposit Account	68	68
10	<b>Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)</b>	Fellow Subsidiary	Premium Received (net of refund)	2,158	3,092
			Reimbursement paid for expenses:- (Rent, Communication, Electricity, Professional fees, Maintenance Charges)	1,812	8,936
			Reimbursement received for expenses (Rent, Communication, Electricity, Car rental)	1,123	5,079
			Creditors	-	806
11	<b>Nippon Life India Trustee Limited (Formerly Reliance Capital Trustee Co. Limited (ceased w.e.f. September 27, 2019))</b>	Fellow Subsidiary	Premium Received (net of refund)	-	9,250
12	<b>Mr. Rakesh Jain</b>	Key Managerial Personnel (includes relatives of KMP's)	Remuneration	78,200	66,200
			Premium Received (net of refund)	60	65

- 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 March 31, 2021**

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

(₹ in '000)

Particulars	Fire	Marine Cargo	Marine Hull	Motor -OD	Motor -TP	Motor	Employer Liability	Public Liability
<b>Segment Revenues</b>								
Earned Premium								
2020-21	24,36,483	1,01,818	6,417	80,47,772	1,22,78,235	2,03,26,007	1,93,852	1,35,635
2019-20	16,75,581	62,258	1,750	92,41,177	1,23,90,441	2,16,31,618	1,53,292	1,55,737
Investment income								
2020-21	3,53,346	28,609	795	7,46,492	65,08,165	72,54,657	38,338	33,345
2019-20	3,30,499	22,938	781	6,96,062	58,51,952	65,48,014	31,858	28110
Misc Income								
2020-21	(37)	12	-	2,232	-	2,232	-	-
2019-20	-	-	-	2,313	-	2,313	-	-
Contribution from Shareholders Funds towards Excess EOM								
2020-21	-	-	-	7,06,510	12,16,674	19,23,184	-	-
2019-20	-	-	-	3,43,966	5,01,196	8,45,162	-	-
Total								
2020-21	27,89,792	1,30,439	7,212	95,03,006	2,00,03,074	2,95,06,080	2,32,190	1,68,980
2019-20	20,06,080	85,196	2,531	1,02,83,518	1,87,43,589	2,90,27,107	1,85,150	1,83,847
<b>Segment Expenses</b>								
Claims								
2020-21	13,62,930	1,37,733	6,551	49,80,812	1,06,47,796	1,56,28,608	1,31,357	(8,541)
2019-20	6,25,809	68,984	1,050	63,54,945	1,19,51,778	1,83,06,723	1,06,297	72,218
Commission								
2020-21	(1,82,974)	(9,129)	(5,703)	17,39,571	(20,17,351)	(2,77,780)	25,316	14,735
2019-20	(6,09,529)	(34,052)	2,951	11,55,530	(19,31,131)	(7,75,601)	18,723	17,728
Premium Deficiency								
2020-21	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-
Management Expenses								
2020-21	11,84,600	53,812	(1,447)	41,10,588	62,16,228	1,03,26,816	93,583	59,222
2019-20	6,49,645	30,028	4,017	33,30,072	48,52,273	81,82,345	75,606	77,352
Total								

Particulars	Fire	Marine Cargo	Marine Hull	Motor -OD	Motor -TP	Motor	Employer Liability	Public Liability
2020-21	23,64,556	1,82,416	(599)	1,08,30,971	1,48,46,673	2,56,77,644	2,50,256	65,416
2019-20	6,65,925	64,960	8,018	1,08,40,546	1,48,72,920	2,57,13,467	2,00,626	1,67,298
Net Profit/loss								
2020-21	4,25,236	(51,977)	7,811	(13,27,965)	51,56,401	38,28,436	(18,066)	1,03,564
2019-20	13,40,156	20,237	(5,488)	(5,57,028)	38,70,669	33,13,640	(15,476)	16,548
<b>Unallocated items</b>								
Investment income								
2020-21								
2019-20								
Provision/ (Other income)								
2020-21								
2019-20								
Expenses								
2020-21								
2019-20								
Net Profit before tax								
2020-21								
2019-20								
Income tax								
2020-21								
2019-20								
MAT Credit								
2020-21								
2019-20								
Net profit after tax								
2020-21								
2019-20								
<b>Assets</b>								
Segment Assets								
2020-21								
2019-20								
<b>Unallocated Assets</b>								
<b>Policyholder Fund</b>								
2020-21								
2019-20								
<b>Shareholders Fund</b>								
2020-21								
2019-20								
Total								
2020-21								
2019-20								
<b>Liabilities</b>								
Segment Liabilities								
2020-21	33,94,992	3,54,792	6,147	92,17,056	7,66,15,715	8,58,32,771	4,28,613	2,72,194
2019-20	24,65,931	2,10,773	9,430	71,00,561	6,26,74,943	6,97,75,503	3,25,553	3,00,158

## Reliance General Insurance Company Limited

Particulars	Fire	Marine Cargo	Marine Hull	Motor -OD	Motor -TP	Motor	Employer Liability	Public Liability
Unallocated Liabilities								
<b>Policyholder Fund</b>								
2020-21								
2019-20								
<b>Shareholders Fund</b>								
2020-21								
2019-20								
Total								
2020-21								
2019-20								

Particulars	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Miscellaneous	Total Enterprise
<b>Segment Revenues</b>							
Earned Premium							
2020-21	3,45,116	49,005	3,24,382	67,98,879	56,03,273	2,90,264	3,66,11,131
2019-20	3,42,649	10,138	3,30,912	1,21,53,268	38,64,865	4,04,034	4,07,86,102
Investment income							
2020-21	62,439	2,668	80,645	5,83,520	4,26,398	40,563	89,05,323
2019-20	67,136	781	75,575	5,94,199	3,32,190	6218	80,38,299
Misc Income							
2020-21	327	-	-	21	-	5,314	7,869
2019-20	495	-	-	-	-	4,978	7,786
Contribution from Shareholders Funds towards Excess EOM							
2020-21	-	-	39,053	6,23,611	-	-	25,85,848
2019-20	-	-	32,576	5,63,664	-	-	14,41,402
Total							
2020-21	4,07,882	51,673	4,44,080	80,06,031	60,29,671	3,36,141	4,81,10,171
2019-20	4,10,280	10,919	4,39,063	1,33,11,131	41,97,055	4,15,229	5,02,73,589
<b>Segment Expenses</b>							
Claims							
2020-21	69,274	33,016	1,78,450	65,14,720	49,95,317	84,840	2,91,34,255
2019-20	2,41,399	4,599	2,27,958	1,09,27,816	32,47,955	2,88,422	3,41,19,230
Commission							
2020-21	49,847	(4,774)	(9,924)	2,47,416	(16,58,769)	10,392	(18,01,347)
2019-20	60,630	(209)	39,301	2,44,457	(10,83,846)	(84,930)	(22,04,377)
Premium Deficiency							
2020-21	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-
Management Expenses							
2020-21	1,47,015	21,393	1,58,526	25,68,198	10,84,049	1,25,002	1,58,20,769
2019-20	1,66,173	5,190	1,72,805	33,00,761	11,93,430	1,81,900	1,40,39,252
Total							

Particulars	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Miscellaneous	Total Enterprise
2020-21	2,66,136	49,635	3,27,052	93,30,334	44,20,597	2,20,234	4,31,53,677
2019-20	4,68,202	9,580	4,40,064	1,44,73,034	33,57,539	3,85,392	4,59,54,105
Net Profit/loss							
2020-21	1,41,746	2,038	1,17,028	(13,24,303)	16,09,074	1,15,907	49,56,494
2019-20	(57,921)	1,338	(1,001)	(11,61,902)	8,39,516	29,836	43,19,484
<b>Unallocated items</b>							
Investment income							
2020-21							18,21,641
2019-20							12,41,503
Provision/ (Other income)							
2020-21							(7,505)
2019-20							4,39,470
Expenses							
2020-21							35,60,202
2019-20							21,27,689
Net Profit before tax							
2020-21							32,25,439
2019-20							29,93,828
Income tax							
2020-21							5,96,635
2019-20							5,53,898
MAT Credit							
2020-21							5,47,620
2019-20							(1,53,686)
Net profit after tax							
2020-21							20,81,184
2019-20							25,93,616
<b>Assets</b>							
Segment Assets							
2020-21							Nil
2019-20							Nil
<b>Unallocated Assets</b>							
<b>Policyholder Fund</b>							
2020-21							12,15,87,720
2019-20							10,20,68,127
<b>Shareholders Fund</b>							
2020-21							3,31,67,497
2019-20							2,57,96,651
Total							
2020-21							15,47,55,217
2019-20							12,78,64,778

Particulars	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Miscellaneous	Total Enterprise
<b>Liabilities</b>							
Segment Liabilities							
2020-21	4,38,585	42,470	8,47,959	53,65,397	48,28,622	3,15,910	10,21,28,453
2019-20	5,78,162	9,811	7,94,242	58,80,624	35,27,030	5,18,157	8,43,95,375
Unallocated Liabilities							
<b>Policyholder Fund</b>							
2020-21							1,92,39,480
2019-20							1,76,72,747
<b>Shareholders Fund</b>							
2020-21							3,33,87,285
2019-20							2,57,96,657
Total							
2020-21							15,47,55,217
2019-20							12,78,64,778

**Notes:**

- Segment Reporting is made as per the modification prescribed by the Insurance Regulatory and Development Authority of India 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 as on the balance sheet date

**36. Summary of Financial Results**

(₹ in '000)

Particulars	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
<b>Operating Results</b>					
Gross Direct Premiums	8,31,02,800	7,46,50,408	6,19,10,264	5,06,90,787	3,93,53,496
Net Earned Premium	3,66,11,131	4,07,86,102	3,53,22,495	2,85,56,607	2,08,89,488
Income From Investment	89,05,322	80,38,299	62,09,025	51,66,542	51,11,001
Contribution from Shareholders Funds towards Excess EOM	25,85,848	14,41,402	-	-	-
Other Income	7,869	7,786	29,651	6,895	5,527
Total Income	4,81,10,170	5,02,73,589	4,15,61,171	3,37,30,044	2,60,06,016
Commission (Net) including Brokerage	(18,01,347)	(22,04,377)	(1,18,063)	(5,75,732)	(16,90,836)
Operating Expenses	1,58,20,769	1,40,39,252	97,46,997	88,93,935	79,41,035
Net Incurred Claims (Including Premium Deficiency Reserve)	2,91,34,255	3,41,19,230	3,03,13,037	2,41,91,365	1,92,41,407
Change in unexpired risk reserve	(54,56,190)	14,49,871	(15,92,222)	(30,78,852)	(14,23,980)
Operating Profit/(Loss)	49,56,493	43,19,484	16,19,200	12,20,476	5,14,410
<b>Non Operating Results</b>					
Total Income under Shareholder's Account	23,17,852	12,71,629	11,36,051	8,96,494	10,02,110
Profit/(Loss) before tax	32,25,439	29,93,828	21,20,227	16,50,033	13,03,436
<b>Provision for tax :</b>					

Particulars	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Current Tax (including earlier year tax)	5,96,635	5,53,898	5,44,195	4,22,139	2,88,735
Deferred Tax	-	-	-	-	-
MAT Credit	5,47,620	(1,53,686)	(5,44,195)	(4,22,139)	(2,88,735)
Profit/(Loss) after tax	20,81,184	25,93,616	21,20,227	16,50,033	13,03,436
<b>Miscellaneous</b>					
<b>Policyholders' Account</b>					
Total Funds	10,80,59,889	9,36,34,685	8,01,36,966	9,06,24,406	5,63,08,306
Total Investments	10,80,59,889	9,36,34,685	8,01,36,966	9,06,24,406	5,63,08,306
Yield on Investments	9%	9%	8%	8%	10%
<b>Shareholders' Account</b>					
Total Funds	2,22,73,614	1,45,81,294	1,38,80,270	1,15,90,846	1,09,34,351
Total Investments	2,22,73,614	1,45,81,294	1,38,80,270	1,15,90,846	1,09,34,351
Yield on Investments	9%	9%	8%	8%	10%
Paid up Equity Capital	25,15,499	25,15,499	25,15,499	25,15,499	12,57,750
Net Worth*	2,05,42,919	1,84,61,735	1,60,19,747	1,40,51,148	1,24,76,805
Total Assets	15,47,55,218	12,78,64,778	10,78,47,573	12,51,11,473	7,67,25,663
Yield on total Investments	9%	9%	8%	8%	10%
Basic Earnings Per Share (₹)	8.27	10.31	8.43	6.56	5.18
Book Value Per Share (₹)	81.67	73.39	63.68	55.86	49.97
Total Dividend (excluding dividend tax)	-	1,25,775	1,25,775	62,887	-
Dividend Per Share (₹)	-	0.50	0.50	0.50	-

\* Net Worth= Share Capital + Reserve & Surplus + Share Application Money Pending for allotment

- (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	2021-20	25%	29%	-7%	0.03
	2019-20	61%	19%	-43%	0.60
Marine Cargo	2021-20	-18%	17%	-7%	-0.79
	2019-20	47%	7%	-52%	-0.04
Marine Hull	2021-20	-52%	-2%	210%	1.09
	2019-20	121%	3%	46%	-3.58
Motor OD	2021-20	9%	76%	17%	-0.35
	2019-20	-8%	70%	14%	-0.17
Motor TP	2021-20	19%	67%	-13%	-0.21
	2019-20	23%	65%	-16%	-0.20
Motor Total	2021-20	15%	70%	-1.1%	-0.26
	2019-20	9%	67%	-3.7%	-0.19
Employer Liability	2021-20	31%	95%	11%	-0.29
	2019-20	33%	95%	11%	-0.31
Public Liability	2021-20	3%	45%	11%	0.52
	2019-20	19%	57%	10%	-0.07

Class	FY	Gross Direct Premium Growth Rate	Net Retention Ratio	Net Commission Ratio	Underwriting Balance Ratio
Engineering	2021-20	35%	24%	15%	0.23
	2019-20	24%	34%	17%	-0.36
Aviation	2021-20	48%	18%	-10%	-0.01
	2019-20	63%	6%	-2%	0.06
Personal Accident	2021-20	-7%	71%	-3%	-0.01
	2019-20	2%	72%	9%	-0.33
Health	2021-20	-39%	79%	3%	-0.37
	2019-20	38%	78%	2%	-0.19
Other Miscellaneous	2021-20	-22%	64%	4%	0.26
	2019-20	35%	69%	-21%	0.06
Weather and Crop	2021-20	44%	22%	-30%	0.21
	2019-20	17%	22%	-28%	0.13
Total	2021-20	11%	50%	-4%	-0.18
	2019-20	21%	52%	-6%	-0.13

**38. Earnings per share information:**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Profit/(Loss) available to equity shareholders (Rs in '000)	2,081,184	2,593,616
Weighted Average number of equity shares outstanding for Basic Earning Per Share	251,549,920	251,549,920
Basic Earning Per Share(₹)	8.27	10.31
Weighted Average number of equity shares considered for Diluted Earning Per Share	25,32,45,586	252,515,188
Diluted Earning Per Share (₹)	8.22	10.27

**39. Other Ratios:**

Ratio	Basis	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Gross Direct Premium to Net worth Ratio	Gross direct premium for current year divided by Net Worth	4.05	4.04
Growth Rate of Net worth	Change in Net Worth during the year divided by net worth as at previous balance sheet Date	11%	15%
Expenses of Management to Gross Direct Premium	Expenses of Management (operating expenses related to insurance business plus direct commission paid divided by gross direct premium)	24%	24%
Expenses of Management to Net written premium ratio	Expenses of Management (operating expenses related to insurance business plus direct commission paid divided by Net written premium)	48%	45%
Net Incurred Claims to Net Earned Premium	Net Incurred Claims divided by Net Earned Premium	80%	84%

Ratio	Basis	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Combined Ratio	Net Incurred Claims divided by Net Earned Premium plus expenses of management (including net commission) divided by Net written premium	113%	114%
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	2.26	1.98
Operating Profit Ratio	Underwriting profit/loss divided by net premium	14%	11%
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)	0.25	0.30
Net Earnings Ratio	Profit after tax divided by net premium	5%	7%
Return on networth ratio	Profit after tax divided by net worth	10%	14%
Gross NPA Ratio	Gross NPA/Total Investment Assets	1.26%	2.10%
Net NPA Ratio	Net NPA/Net Investment Assets	0.77%	1.69%

**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.

**40. Solvency Margin**

(₹ in '000)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Required solvency margin under IRDAI Regulations (A)	12,570,759	12,396,421
Available solvency margin (B)	20,784,512	18,837,808
(C) Solvency ratio actual (times)(B/A)	1.65	1.52

**41. 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, 2021	For the Year ended March 31, 2020
Debt Equity Ratio	0.11	0.12
Debt Service Coverage Ratio	16.17	14.40
Interest Service Coverage Ratio	16.17	14.40

**42. Corporate Social Responsibility (CSR):**

As per provisions of Section 135 of the Companies Act, 2013, the Company is required to provide and spend an amount ₹ 45,090 thousand (Previous Year ₹ 33,828 thousand) on the Corporate Social Responsibility (CSR) activities. Out of which, amount of ₹ 53,368 thousand (Previous Year Rs 25,566) has been spent during the year including ₹ 8,262 thousand related to previous year.

(₹ in '000)

S. No.	Particulars	In Cash	Yet to be paid in Cash	Total
(i)	Construction/acquisition of any asset	- (-)	- (-)	- (-)
(ii)	On purposes other than (i) above	45,090 (25,566)	- (-)	45,090 (25,566)

(Previous year figures are in brackets)

**43.** In accordance with the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, Company's expenses of management are within the allowable limit on overall level and operating expenses of Rs 2,585,848 thousand is in excess of segmental limits pertaining to below segments, which are reduced proportionately from each expenditure head and are borne by the shareholders

Segments	Rs in '000
Health Retail	253,855
Health Group	408,809
Motor	1,923,184

**44.** Forward contracts entered and outstanding as on March 31, 2021 is Nil ( Previous year Nil)

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

**46.** 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)

Name of the Statutory Audit Firm	Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Pathak H.D. & Associates LLP	Certification Work	305	465
Uttam Abuwala Ghosh & Associates	Certification Work	300	500

**47.** For the year ended March 31,2021 the amount of per share dividend recognised as distributable to equity shareholders is Rs 0.04 (March 31,2020 Rs 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 10,062 thousands .

48. Prior year figures have been reclassified, wherever necessary, to confirm to current year presentation.

Regrouped in for the period ended March 31,2020				
Nature of Income	New grouping	₹ (in'000)	Old Grouping	₹ (in'000)
Investment Income from Pool (Terrorism & Nuclear)	<b>Investment Income from Pool (Terrorism &amp; Nuclear)</b>		<b>Interest, Dividend &amp; Rent – Gross</b>	
	Revenue Account under Fire segment	55,122	Revenue Account under Fire segment	1,970
	Revenue Account under Miscellaneous segment	10,794	Revenue Account under Marine segment	170
			Revenue Account under Miscellaneous segment	54,894
	Profit & Loss Account		Profit & Loss Account	8,882
Contribution to Policyholders Funds towards Excess EOM	Profit & Loss Account	1,441,402	<b>Operating Expenses related to Insurance Business</b> Revenue Account under Miscellaneous segment	1,441,402

As per our audit report of even date attached.

**For Uttam Abuwala Ghosh & Associates**

Chartered Accountants (FRN. 111184W)

**Ajaysingh Chauhan**

Partner, Membership No. 137918

**For Pathak H D & Associates LLP**

Chartered Accountants (FRN. 107783W / W100593)

**Vishal D. Shah**

Partner, Membership No. 119303

**Place : Mumbai**

**Date : 07th May, 2021**

For and on behalf of the Board of Directors

**Dr. Thomas Mathew**

Director (DIN: 05203948)

Place : Gurugram

**Mr. Rahul Sarin**

Director (DIN : 02275722)

Place: Gurugram

**Rakesh Jain**

Executive Director & CEO

(DIN : 03645324)

**Hemant K. Jain**

Chief Financial Officer

**Mohan Khandekar**

Company Secretary & Chief Compliance Officer

(Membership No. A8515)



IRDAI Registration No. 103. Reliance General Insurance Company Limited.

Registered & Corporate Office: 6th Floor, Oberoi Commerz, International Business Park,  
Oberoi Garden City, Off. Western Express Highway, Goregaon (E), Mumbai-400063.

Corporate Identity Number: U66603MH2000PLC128300.

Trade Logo displayed above belongs to Anil Dhirubhai Ambani Ventures Private Limited and  
used by Reliance General Insurance Company Limited under License.