

**Raheja QBE General Insurance
Company Limited
2019-20**

DIRECTORS' REPORT

The Directors of your Company have pleasure in presenting the Thirteenth Annual Report on the business and operations of your Company and the Revenue Account, the Profit and Loss Account (Shareholders' Account), the Statements of Receipts and Payments Account (Cash Flow Statement) for the Financial Year ended 31st March, 2020, the Balance Sheet as at 31st March, 2020 along with the Report of the Auditors thereon and the Management Report for the Financial Year 2019-20 to the Members of Raheja QBE General Insurance Company Limited.

BRIEF OVERVIEW

Your Company, Raheja QBE General Insurance Company Limited, was incorporated on 14th August, 2007. Your Company has obtained the Certificate of Registration bearing No. 141 from the Insurance Regulatory and Development Authority of India (IRDAI), Hyderabad on 11th December, 2008 to carry on business of General Insurance in India. Your Company has total eight branches/units as on 31st March, 2020.

KEY FINANCIAL RESULTS

The Highlights of the performance of the Company are as below:

	('000)	
Particulars	2019-20	2018-19
Gross Written Premium	17,99,743	12,96,393
Net Written Premium	14,32,446	10,51,134
Net Earned Premium	11,43,021	8,95,665
Net Incurred Claims	8,59,414	7,47,845
Net Commission	1,10,730	74,593
Expense of Management	5,11,496	3,67,505
Other Income/(Expenses)	199	(124)
Investment Income on Policy Holders Fund	2,29,588	1,55,509
Premium Deficiency Reserve	(903)	361
Insurance Profit/(Loss)	(1,07,929)	(1,39,254)
Investment Income on Shareholders Fund	88,945	1,21,425
Expenses of Management to Shareholders	(4,36,613)	(1,27,447)
Income/(Expenses) other than Insurance Business	(1,99,145)	(73,757)
Profit/(Loss) before Tax	(6,54,742)	(2,19,033)
Provision for Taxation	-	-
Provision for Deferred Tax	(33,597)	(15,503)
Profit/(Loss) after Tax	(6,21,145)	(2,03,530)

OPERATIONS

Gross Written Premium:

The Gross Written Premium of your Company grew by 39% to ₹ 1,800 million in the financial year 2019-20 from ₹ 1,296 million in the financial year 2018-19. The growth is driven by Motor and Liability lines of business contributing 35% and 45% respectively to the total topline.

Net Earned Premium:

The Net Earned Premium stood at ₹ 1,143 million as against ₹ 896 million in the previous year. Higher Gross Written Premium in Motor and subsequently higher Net Written Premium contributed to the growth of 28 % in Net Earned Premium for the year.

Claims:

The net incurred claims stood at ₹ 859 million in the financial year 2019-20 as against ₹ 748 million in the financial year 2018-19.

Commission:

Net commission increased by 48% to ₹ 111 million in the financial year 2019-20 from ₹ 75 million in the financial year 2018-19 owing to the increased topline.

Expenses:

Expenses of the Company stood at ₹ 997 million in the financial year 2019-20, an increase of 92% over the previous year resulting from the increased Gross Written Premium.

Investment Income:

The total income from investment for the year is ₹ 319 million as against ₹ 277 million in the previous year.

Financial Result:

Your Company incurred net loss of ₹ 621 million in the financial year 2019-20 as compared to net loss of ₹ 204 million in the financial year 2018-19.

DIVIDEND

The Directors have not recommended any dividend for the financial year ended 31st March 2020.

RESOURCES AND LIQUIDITY

The Authorized Share Capital of the Company is ₹ 2,20,00,00,000. During the year under review, the paid-up share capital of your company is ₹ 2,07,00,00,000, and no shares were issued during the year under review.

PUBLIC DEPOSIT

The Company has not accepted any deposit from the public pursuant to the provisions of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to section 186 of the Companies Act, 2013, the Company have not given any loans or guarantees, and the details of investments made are given in the schedules of the financial statements.

COST AUDIT

The Company is not required to undertake the cost audit as required under Section 148 of the Companies Act, 2013.

ECONOMIC SCENARIO OF GENERAL INSURANCE INDUSTRY

The Indian non-life insurance industry is the 4th largest in Asia and 15th largest globally. Indian non-life market is still significantly underpenetrated in terms of both premium as a percentage of GDP and low density which is defined as premium per capita.

Indian non-life gross direct premium income (GDPI) has been growing at a CAGR of 17% over the last 19 years. The overall GDPI has grown from ₹ 169,448 crores in FY 2018-19 to ₹ 1,89,302 Crores in FY 2019-20, exhibiting a growth rate of 11.7% and an accretion of ₹ 19,853 Crores. The major segments contributing to this accretion of ₹ 19,853 crores are Group Health (24%), Motor TP (23%), Crop (23%) and Fire (21%). Motor, Health and Crop segments together hold more than 80% of

market share of overall GDPI. Private Players accounted for a share of around 56% in the overall GDPI.

DISCLOSURES UNDER THE COMPANIES ACT, 2013

ANNUAL RETURN

As per the requirement of section 92 of the Companies Act, 2013 the Annual Return of the Company can be accessed on the website of the Company at the following link:

<http://www.rahejaqbe.com/about-us/financial-reports>

The extract of Annual Return prepared pursuant to section 92(3) of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT- 9 is annexed to this Report as Annexure II.

NUMBER OF BOARD MEETINGS

The Board of Directors met 4 times in the financial year 2019-20 on:

i) May 6, 2019 ii) July 19, 2019 iii) October 22, 2019 iv) January 23, 2020

BOARD OF DIRECTORS

- i. Mr. Swaraj Krishnan was appointed as Independent Director of the Company effective June 21, 2019 at the Extraordinary General Meeting held on June 20, 2019.
- ii. Total strength of the Board was 10 Directors as at 31st March 2020, comprising 1 Executive Director, who is Managing Director & CEO, and 5 Non-Executive Directors and 4 Independent Directors.
- iii. In accordance with the requirement of the Companies Act, 2013, Ms. Aneeta Kulkarni and Mr. Vivekrishi Bhatia, Non-Executive Directors of the Company are liable to retire by rotation and being eligible, have offered themselves for re-appointment.
- iv. The Independent Director have submitted the Declaration of Independence, as required pursuant to Section 149(6) of the Companies Act, 2013.
- v. The following table gives details of the composition of the Board of Directors, qualification, field of specialization and status of Directorship held and attendance at Board Meeting:

Sl. No	Name	Qualification	Field of specialization	Status Directorship	Attendance at Board Meeting
1	Mr. Akshay Raheja	B.com, MBA	Industrialist	Non-Executive	4
2	Ms. Ameeta Parpia	B.A, LLB	Advocate & Solicitor	Non-Executive Independent	3
3	Ms. Aneeta Kulkarni	B.A, LLB, PGDAM, ACS, F.I.I.I	Legal, Compliance, Secretarial & General Insurance	Non-Executive	3
4	Mr. Shobhan Thakore	B.A, LLB	Solicitor	Non-Executive-Independent	4
5	Mr. Vikas Newatia	PG Actuarial Science, City University London, Bsc (Hons)	Actuarial Science	Non-Executive-Independent	4

		Mathematics, Kings College London			
6	Mr. Swaraj Krishnan*	B.A.(Hons) Economics, M.A (Business Economics)	General Insurance	Non-Executive Independent	3
7	Mr. Vijay Aggarwal	B. Tech (Electrical) IIT Delhi, PGDBM, IIM Ahmedabad	Professional	Non-Executive	4
8	Mr. Pankaj Arora	IILM, Delhi	Management, Distribution, Digital Marketing, Communication General Insurance	Executive	4
9	Mr. Vivekrishi Bhatia	Bachelor of Engineering, Post Graduate Diploma in Business Administration, Chartered Financial Analyst (ICFAI)	General Insurance	Non-Executive	3
10	Mr. Chris Killourhy	Fellow of the Faculty Institute of Actuaries, United Kingdom	General Insurance	Non-Executive	3

**Appointed effective June 21, 2019*

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, and based on the information provided by the Management, your Directors state that:

- a) That in the preparation of the Annual Financial Statements for the year ended 31st March 2020, the applicable accounting standards have been followed and there are no material departures; accounting policies selected were applied consistently. Reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;

Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act and rules made thereunder, Insurance Act, 1938 and IRDAI Regulations, Orders, Circulations and Guidelines for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- b) That the annual accounts of the Company have been prepared on a going concern basis;
- c) Internal Financial controls have been laid down to be followed by the Company and such Internal financial controls are adequate and operating effectively;
- d) Proper systems are in place to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

FRAUDS

There are no frauds reported by Auditors under section 143 (12) of the Companies Act, 2013.

EVALUATION OF BOARD'S PERFORMANCE

The Board had carried out the annual evaluation of its own performance, the performance of all individual directors as well as the evaluation of the working of its Committees namely Audit, Nomination and Remuneration, Investment, Risk Management, Policyholder Protection and Corporate Social Responsibility basis criteria approved for performance evaluation by Nomination & Remuneration Committee vide Circular Resolution dated January 18, 2019, in accordance with the provisions of section 178 of the Companies Act, 2013.

The performance evaluation of each director including independent directors was carried out by all the directors except the director being evaluated.

The performances evaluated as above were found satisfactory.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are set out in the "Annexure I" to the Directors Report.

MANAGING DIRECTORS' REMUNERATION

Qualitative Disclosure:

- Information relating to the design and structure of remuneration processes and the key features and objective of remuneration policy is included in the Nomination and Remuneration Policy.
- Description of the ways in which current and future risks are taken into account in the remuneration processes is included in the Nomination and Remuneration Policy.
- Description of the ways in which the insurer seeks to link performance, during a performance measurement period with levels of remuneration is included in the Nomination and Remuneration Policy.

Quantitative Disclosure:

- Number of MD/CEO/WTDS having received a variable remuneration award during the financial year: One
- Number and total amount of sign on awards made during the financial year:
One. Total amount of Rs 1,10,00,000/- paid as joining bonus
- Details of guaranteed bonus, if any, paid as joining/ signing bonus:
Total amount of Rs. 1,10,00,000/- paid as joining bonus to Mr. Pankaj Arora, Managing Director & CEO
- Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms:

Total amount of Rs. 92 lakhs as Long-Term Incentive in cash to be paid in Aug/Sep 2020, Aug/Sep 2021, Aug/Sep 2022 in 3 equal tranches to Mr. Pankaj Arora, Managing Director. Rs. 65,62,311 outstanding deferred remuneration as on March 31, 2020, payable to Mr. Praveen Gupta (ceased to be Managing Director & CEO effective 31 March 2019) as per the Nomination & Remuneration Policy of the Company.

- Total amount of deferred remuneration paid out in the financial year 2019-20: Rs. 18,43,890 paid to Mr. Praveen Gupta (ceased to be Managing Director & CEO effective 31 March 2019) during FY 2019-20 as per the Nomination & Remuneration Policy of the Company.
- Breakup of amount of remuneration awarded for the financial year to show fixed and variable, deferred and non-deferred.

SL No	Name of MD & CEO	For the financial year	Fixed remuneration	Variable Remuneration	Total Remuneration
1	Pankaj Arora	2019-20	₹ 3.83 crore (including Rs. 1.1 Crore of Joining Bonus which is paid and Rs. 37 lakhs of retention bonus which is to be paid in September 2020)	₹ 1.84 crore (Rs 92 lakhs as Short- Term Incentive to be paid in Aug/Sep 2020 and Rs 92 lacs as Long-Term Incentive to be paid in Aug/Sep 2020, Aug/Sep 2021, Aug/Sep 2022 in 3 equal tranches)	₹ 5.67 crore
2	Praveen Gupta (Ceased to be Managing Director & CEO effective March 31, 2019)	2018-19	-	₹ 1.17 Crore (Rs. 38.67 lakhs payable as deferred remuneration as per the Nomination & Remuneration Policy of the Company)	₹ 1.17 Crore

KEYS MANAGERIAL PERSONNEL

During the year under review, the Company had the following Key Managerial Personnel pursuant to the provisions of the Companies Act, 2013:

- Mr. Pankaj Arora, Managing Director & CEO
- Mr. Chandraprakash Jain, Chief Financial Officer
- Mr. Jigar Shah, Company Secretary and Chief Compliance Officer

Further, pursuant to the provisions of the Guidelines for Corporate Governance for insurers in India issued by IRDAI, the Company had the following Key Management Persons during the year under review:

- Mr. Pankaj Arora, Managing Director & CEO
- Mr. Chandraprakash Jain, Chief Financial Officer
- Mr. Jigar Shah, Company Secretary and Chief Compliance Officer
- Mr. Rajeev Dogra, Chief Distribution Officer (effective July 19, 2019)
- Mr. Anirudh Singh, Chief Risk Officer (till October 22, 2019)
- Mr. Shantanu Pathak, Chief Investment Officer
- Mr. Rohit Ajgaonkar, Appointed Actuary & Chief Risk Officer (Appointed Actuary effective August 29, 2019 and Chief Risk Officer effective October 23, 2019)
- Mr. Puneet Sahni, Head Underwriting Officer – Retail Line (effective July 19, 2019)

- Mr. Farzan Khansaheb, Head Underwriting Officer – Commercial Lines (effective July 19, 2019)
- Mr. Rahul Sharma, Head – Claims (effective July 19, 2019)
- Mr. Abhijit Kedia, Head – Information Technology (effective July 19, 2019)
- Ms. Shefali Suri, Head – Human Resource (From July 19, 2019 to February 12, 2020)
- Ms. Ritu Nazir, Head – Marketing and Corporate Communication, Customer Service, Sales Force Effectiveness and Special Projects (effective July 19, 2019)

REGISTRATION

The Certificate of registration of your Company renewed by the Insurance Regulatory and Development Authority of India (IRDAI) for 2014-15, shall continue to be in force, pursuant to the provisions of section 3A read with Section 3 of the Insurance Act, 1938 (IRDA Circular No. IRDA/F&A/CIR/ GLD/ 062/04/2015 dated 7th April, 2015) which states that the Authority has dispensed with the issuing of annual renewal certificates. The License Fees for the Financial Year 2020-21 has been paid as per the Regulation 20 of the IRDAI (Registration of Indian Insurance Companies) (Seventh Amendment) Regulations, 2016 dated December 15, 2016.

INVESTMENTS

The Investments function supports the core business of the Company. The Investments of the Company are made in accordance with the Investment Policy of the Company as approved by the Board of Directors. The Investment Portfolio of the Company as on March 31, 2020 is ₹ 4,653 million. The Company's Fund are prudently invested to minimize the risk while seeking reasonable returns. The Weighted average annualized yield on investment for the year 2019-20 is 3.60% (The yield for the year is after considering NPA provision for IL&FS securities. The investment yield for the year without consideration of NPA provision on IL&FS securities is 7.17%).

RISK MANAGEMENT STRATEGY

Your Company has a robust Risk Management Framework to identify, evaluate and manage business risks to meet strategic objectives. The Risk Management Framework is embedded in each of the departments and at all levels which provides a consistent approach to manage and mitigate risks across the organization. The following are the major aspects of the Framework:

- Risk appetite: This defines the level of risk the organization is prepared to accept to meet its objectives
- Governance Arrangements: These act as the lines of defence to identify and mitigate risks
- Defined roles and responsibilities: These help in identifying ownership at each process and department level
- Reporting Mechanisms: These help in the adequate reporting of risks and exceptions

Your Company has established internal controls to manage the key risks in the relevant areas of exposure for the Company. The risks are broadly classified into Strategic Risk, Insurance Risk, Credit Risk, Market Risk, Liquidity Risk, Operational Risk and Group Risk. In addition to these key emerging business risks are also identified and monitored as they can have a material impact on the strategic objectives of the Company. The internal systems and controls in place are designed to provide reasonable assurance that the assets and revenues of the Company are safeguarded, and the exposures remain within the stated risk appetites.

UPDATE ON COVID-19

COVID-19 was declared as a pandemic by World Health Organization (WHO) on March 11, 2020. The Union government as a measure to control and contain the spread of the virus announced a nationwide lockdown on March 24, 2020. Different states basis the spread of the virus has announced further extensions to this period. The pandemic has led to significant impact on the Indian Financial

markets and overall economic activities have taken a considerable hit in the country and across the world.

Your Company has put in place internal controls to monitor and quantify the impact of COVID-19. Further, your Company has used prudential principles in applying judgements, assumptions and estimates to provide for the impact of COVID-19 in the financial statements. However, the impact assessment and the outcome of the same is still uncertain and in nascent stage. As such the actual impact and the perceived impact of the same is likely to be in divergence and is based on multiple factors. Your Company continues to closely monitor the impact of the same and assess the impact on the internal Financial Statements as well as assess the overall economic conditions. The internal impact assessment does not indicate any adverse impact on the ability of the Company to continue to be a going concern.

Your Company continue to monitor investments made for asset impairments or downgrades. Your Company has robust investment management practices and majority of the investments are in Sovereign bonds or Assets marked AA and above. Basis the same, your Company does not feel that there would be material impact of the same on investments. However, considering the slowdown in the economic activities it is inevitable to monitor the same continuously and adequate provisions will be made for the same when new material information is available.

As a prudent practice, your Company does not recognize future premiums on renewals as receivables and are only accounted for when the premiums are received. Other receivables are been closely monitored and are adequately considered from the reporting of solvency standpoint basis the ALSM regulations.

Your Company is monitoring all contracts. The internal assessment on the data available does not indicate any contracts from becoming onerous. However, we continue to monitor the same.

The future business plans have been redrawn by your Company basis the impact of COVID-19. Though COVID-19 is expected to have a short-term impact the long-term impact is likely to be comparatively much lesser. Your Company has assessed the underlying cashflows basis the revised business plan whether the deferred tax assets are likely to be utilized. Basis the information currently available, the management is of the view that there would be no material impact on the same. However, if the impact on the economy is prolonged the actual experience could be in divergence with the expected impact.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes or commitments, affecting the financial position of the Company between March 31, 2020 and the date of this report.

INTERNAL FINANCIAL CONTROL

A strong internal control culture is pervasive in the Company. The Internal Audit function is critical to the risk management process. Internal audit provides independent assurance on the adequacy and effectiveness of the control across the Company and the compliance with the policies, procedures and regulations. A risk-based internal audit approach is used so that higher risk activities are reviewed more frequently.

INTERNAL AUDIT

The Internal audit functions is outsourced, as permitted by the relevant IRDAI regulations, to Group Internal Audit ("GIA") of QBE, M/s. Mahajan & Aibra, Chartered Accountants and M/s. Khandelwal Jain & Co., Chartered Accountants. M/s. B.Y & Associates, Chartered Accountants were appointed as an Internal Auditor for Investment function. The Internal Auditors have completed their audit of the

internal operations and the Board of Directors report that there was no high or critical risk issues in the report submitted.

NOMINATION & REMUNERATION POLICY

The Company follows a Nomination and Remuneration Policy for members of the Board of Directors, Key Managerial Personnel (KMP) and the Senior Management. The Nomination & Remuneration Committee (NRC) recommends to the Board on the employment arrangements including level and composition of remuneration of the Managing Director & CEO, Directors and KMP. The policy is guided by a reward framework for Managing Director & CEO, KMP and Senior Management which involves a balance between fixed and incentive pay reflecting short and long-term performance objectives. The Nomination and Remuneration Policy is annexed to the Board Report as Annexure V.

CORPORATE GOVERNANCE

The IRDAI Guidelines for Corporate Governance for insurance companies ('the Guidelines') has been implemented fully by the Company. A certificate of compliance to the Guidelines from Chief Compliance Officer is attached with the report.

Compliance with Secretarial Standards

The Company hereby declares that it has complied with the Secretarial Standards SS-1 and SS-2 as required under the Companies Act, 2013.

COMMITTEES & REMUNERATION

To enable better and more focused attention on the affairs of the Company and in accordance with the regulatory provisions, the Company has constituted various Committees. These Committees lay down the groundwork for decision-making and report at the subsequent Board Meeting. The terms of reference of the Committees are approved by the Board. Meetings of the Committees are held on regular basis depending upon the business to be transacted by the Committees. Minutes of the Committee Meetings are placed before the Board on a periodical basis. The Board has constituted the following Committees with specific terms of reference:

- I. Audit Committee
- II. Investment Committee
- III. Risk Management Committee
- IV. Protection of Policyholders Committee
- V. Nomination and Remuneration Committee
- VI. Corporate Social Responsibility Committee

I. Audit Committee:

The Audit committee comprises of Ms. Ameeta Parpia (Chairperson), Mr. Shobhan Thakore, Mr. Vikas Newatia, Mr. Vijay Aggarwal and Mr. Christopher Killourhy as on March 31, 2020.

The Audit Committee had met four times during the year ended March 31, 2020 on i) May 06, 2019 ii) July 19, 2019 iii) October 22, 2019 and iv) January 23, 2020 and the details of attendance by the Committee members are as follows:

S No	Name of Director	Scope	No. of Meetings attended
1	Ms. Ameeta Parpia	To support the Board in overseeing the effectiveness of financial reporting, monitor the integrity of Company's financial reporting, discuss with the external auditor significant financial and other reporting issues, judgements and findings, review and assess	3
2	Mr. Shobhan Thakore		4

3	Mr. Vikas Newatia	information from internal auditors, review external auditor's independence, objectivity and effectiveness and recommendation for appointment of auditors and fixing their remuneration, the Committee shall review the effectiveness of Internal Control Systems, review scope and audit plan, oversee efficient functioning of the internal audit, review Company's system, policies, processes for monitoring compliance with financial reporting, tax laws, regulations.	4
4	Mr. Vijay Aggarwal		4
5	Mr. Christopher Killourhy		3

II. Investment Committee

The Investment Committee comprises of Mr. Vijay Aggarwal (Chairman), Mr. Vikas Newatia, Mr. Swaraj Krishnan, Mr. Christopher Killourhy, Mr. Pankaj Arora, Managing Director & CEO, Mr. Chandraprakash Jain, Chief Financial Officer, Mr. Shantanu Pathak, Chief Investment Officer, Mr. Rohit Ajgaonkar, Appointed Actuary and Chief Risk Officer as on March 31, 2020.

The Committee had met 4 times during the year ended March 31, 2020 on i) May 06, 2019, ii) July 19, 2019 iii) October 22, 2019 iv) January 23, 2020 and the details of attendance by the Committee Members are as follows:

Sl. No.	Name of Director	Scope	No. of Meeting attended
1	Mr. Vijay Aggarwal	Recommend and review investment policy and changes thereto, review investments and submit Investment Performance Report, provide an analysis of investment portfolio and on the future outlook to enable the Board to look out possible changes and strategies. Ensure Board framework, guidelines are in place for performance of Investment function. Ensure that Investment Policy focus on prudential ALM supported by robust Internal Control System. Ensure that the Members of the Committee should familiarize with the various Acts, Rules, Regulations, Guidelines, Circulars issued by IRDAI from time to time. Review overall Investment Performance against any targets and performance goals are established in business plan.	4
2	Mr. Vikas Newatia*		3
3	Mr. Swaraj Krishnan*		3
4	Mr. Pankaj Arora		4
5	Mr. Shantanu Pathak		4
6	Mr. Chandraprakash Jain		4
7	Mr. Anirudh Singh**		3
8	Mr. Rohit Ajgaonkar#		2
9	Mr. Christopher Killourhy		3
10	Mr. Shobhan Thakore@		1
11	Ms. Aneeta Kulkarni@		1

*Appointed as a Member effective July 15, 2019

**Ceased as a Member effective October 22, 2019

#Appointed as a Member effective October 14, 2019 as Appointed Actuary and effective October 23, 2019 as Appointed Actuary & Chief Risk Officer

@Ceased to be a Member effective July 14, 2019

III. Risk Management Committee (RMC)

The Risk Management Committee comprises of Mr. Vijay Aggarwal (Chairman), Ms. Ameeta Parpia, Ms. Aneeta Kulkarni, Mr. Swaraj Krishnan, Mr. Vikas Newatia, Mr. Pankaj Arora and Mr. Christopher Killourhy as on March 31, 2020.

The Committee has met four times during the year ended March 31, 2020 on i) May 06, 2019 ii) July 19, 2019 iii) October 22, 2019 iv) January 23, 2020 and the details of attendance by the Committee Members are as follows:

Sl. No.	Name of Director	Scope	No. of Meetings Attended
1	Mr. Vijay Aggarwal	To oversee the effectiveness of the Company's risk and capital management frameworks in order to support strategic objectives, support and inform business plans. To establish Risk Management framework and recommend to the Board Risk Management Policy, review Company's risk-reward performance, to assist the Board in effective operation of the risk management system by performing specialized analyses and quality review. To assist the Board in effective operation of the risk management system by performing specialized analyses and quality review. To report to the Board, details on the risk exposures and the actions taken to manage the exposures. Review the solvency position of the Company on regular basis. monitor and review regular updates on business continuity.	4
2	Mr. Swaraj Krishnan*		3
3	Mr. Vikas Newatia*		3
4	Ms. Ameeta Parpia		3
5	Ms. Aneeta Kulkarni		3
6	Mr. Pankaj Arora		4
7	Mr. Christopher Killourhy		3

*Appointed as a Member effective July 15, 2019

IV. Protection of Policyholder Committee:

The Protection of Policyholder Committee comprises of Mr. Swaraj Krishnan (Chairman), Ms. Aneeta Kulkarni, Mr. Shobhan Thakore, Mr. Pankaj Arora and Mr. Vivekrishi Bhatia as on March 31, 2020.

The Committee has met four times during the year ended March 31, 2020 on i) May 6, 2019 ii) July 19, 2019 iii) October 22, 2019 and iv) January 23, 2020 and the details of attendance by the Committee members are as follows:

Sl. No.	Name of Members	Scope	No. of Meetings attended
1	Mr. Vijay Aggarwal*	Responsible for putting in place proper procedures and effective mechanism to address Complaints and grievances of policyholders and review the status of complaints at periodic intervals, ensure compliance with the statutory requirements, ensure adequacy of disclosure of 'material information' to the policyholders.	1
2	Mr. Swaraj Krishnan**		3
3	Ms. Aneeta Kulkarni		3
4	Mr. Shobhan Thakore		4
5	Mr. Pankaj Arora		4
6	Mr. Vivekrishi Bhatia		3

*Ceased to be a Member effective July 14, 2019

** Appointed as a Member effective July 15, 2019

V. Nomination & Remuneration Committee:

The Nomination and Remuneration Committee comprises of Ms. Ameeta Parpia (Chairperson), Mr. Akshay Raheja, Mr. Shobhan Thakore and Mr. Vivekrishi Bhatia as on March 31, 2020.

The Nomination and Remuneration Committee has met three times during the year ended March 31, 2020 on i) May 6, 2019 ii) July 19, 2019 iii) October 22, 2019 and iv) January 23, 2020 and the details of attendance by the Committee Members are as follows:

Sl. No	Name of Director	Scope	No. of Meeting Attended
1	Ms. Ameeta Parpia	Recommend to the Board appointment and removal of directors and person appointed in senior management, carry out evaluation of every director's performance, formulate the criteria for determining qualifications, positive attributes and independence of a director, recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial personnel and other employees.	3
2	Mr. Akshay Raheja		4
3	Mr. Shobhan Thakore		4
4	Mr. Vivekrishi Bhatia		3

VI. Corporate Social Responsibility Committee:

In pursuance of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee, it comprises of Mr. Akshay Raheja (Chairman), Ms. Ameeta Parpia, Mr. Vivekrishi Bhatia, Ms. Aneeta Kulkarni and Mr. Pankaj Arora as on March 31, 2020.

The Corporate Social Responsibility Committee has met one time during the year ended March 31, 2020 on May 6, 2019.

In accordance with section 135 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("the Rules") the Company was required to spend ₹ 13,43,742 in financial year 2018-19. However, the Company was actively looking for reliable CSR implementation partners to maximize the impact of CSR expenditure to have positive impact on Society and hence, decided to carry forward unspent amount to financial year 2019-20.

Accordingly, your Company spent the carried forward unspent amount from the financial year 2018-19 of ₹ 13,43,000 towards CSR expenditure during the financial year 2019-20. The Company has spent 99.94% of the carried forward unspent amount. The sum of ₹ 742/- remained unspent inadvertently on account of difference in calculation due to rounding-off.

In accordance with section 135 read with the Rules, 2014, the Company was not required to spend CSR amount for the financial year 2019-20.

As required by Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee, formulated and adopted a policy. The details of Annual Report on CSR Activities and the extract of the CSR policy is annexed herewith as Annexure II and Annexure III respectively.

VII. INDEPENDENT DIRECTORS MEETING:

The Code of Conduct for independent directors prescribed under Schedule IV of the Companies Act, 2013, provides for an evaluation mechanism for the Board/Chairperson/Non-Independent Directors which would need to be done at the separate Meeting of Independent Directors, without the attendance of Non-Independent Directors and Members of the Management.

However, the Companies who have not been able to hold such meeting during the financial year 2019-20 the same shall not be viewed as violation pursuant to the Circular dated March 24, 2020 issued by Ministry of Corporate Affairs.

Due to prevailing lockdown conditions of COVID-19, Independent Directors of the Company were not able to meet for performance evaluation as prescribed under Schedule IV of the Companies Act, 2013 during financial year 2019-20.

DETAILS OF REMUNERATION AND SITTING FEES TO NON-EXECUTIVE DIRECTOR

Non-Executive & Non-Independent Directors were not paid any sitting fees and profit related commission during the financial year 2019-20.

DETAILS OF REMUNERATION AND SITTING FEES TO INDEPENDENT DIRECTOR

Name of Director	Sitting Fees	Commission
Ms. Ameeta Parpia	₹ 4,00,000	NIL
Mr. Shobhan Thakore	₹ 5,50,000	NIL
Mr. Vikas Newatia	₹ 5,50,000	NIL
Mr. Swaraj Krishnan	₹ 3,75,000	NIL

PARTICULARS OF GENERAL MEETINGS

The Board reports that during the year under review, your Company had convened One (1) Extraordinary General Meeting (EGM) on June 20, 2019. At the Meeting held on June 20, 2019, Mr. Swaraj Krishnan was appointed as Independent (Non-Executive) Director.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is committed to conducting business in an open and honest manner, and to ensure that only highest ethical standards are upheld in all areas of the business conduct an affair. To meet this objective, your company has established a vigil mechanism called “Whistle Blower Policy” for directors and employees of the Company to report to the Management concerns about unethical behaviour actual or suspected, fraud or violation of the Company’s code of conduct policy or ethics policy.

MANAGEMENT REPORT

The Management Report, as stipulated under Regulation 3 of the IRDA (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002, forms part of the financial statements which forms part of Annual Report.

RELATED PARTY TRANSACTIONS

All Related Party Transactions are placed before the Audit Committee and also before the Board, wherever required, for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions, which are of foreseen and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval are placed before the Audit Committee for the review on a quarterly basis. The statement is supported by a certificate from the Managing Director and Chief Financial Officer.

The Policy on materiality of related party transactions and on dealings with related party transactions as approved by the Audit Committee and the Board of Directors is implemented. During the year under review, the Company did not enter into any transactions or arrangements with related parties, which were not in ordinary course of business or not at arm’s length.

SOLVENCY MARGIN

Your Directors are pleased to report that the value of the assets of your Company are higher than the liabilities and are also sufficient to meet the minimum solvency margin as specified in Section 64 VA of the Insurance Act, 1938 at all times.

STATUTORY INFORMATION

Particulars of Employees

Your Company has created a competent, diverse and inclusive workforce. Your Company has been able to attract the 'best in class' talent and retention of high performers has been high through continual employee learning, engagement and development. The total number of employees of your Company stands at 140 as on 31st March 2020.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013, read with the companies (Accounts) Rules, 2014 are as under:

- 1) Part A and Part B pertaining to conservation of energy and technology absorption are not applicable to the Company.

- 2) Foreign Exchange earnings and outgo:

Foreign exchange earnings: ₹ 4,13,50,867

Foreign exchange expenditures: ₹ 7,86,32,819

SEXUAL HARASSEMENT

The Company has a Board approved policy for prevention of Sexual Harassment at workplace. A summary on the compliance with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 is given below:

Particulars	
Number of Complaints of Sexual harassment during the year	NIL
Number of Complaints disposed of during the year	
Number of cases pending for more than 30 days	
Number of workshops or work program against sexual harassment carried out	
Nature of Action take by employer or district officer	

AUDITORS

STATUTORY AUDITORS

M/s. Sudit K. Parekh & Co. LLP, Chartered Accountants, Registration No. (AAO-8539), were appointed as Joint Statutory Auditors of the Company at the Annual General Meeting held on 23rd May, 2017 and M/s. Shah Gupta & Co, Chartered Accountants, Registration No. (109674W), were appointed as Joint Statutory Auditors of the Company at the Annual General Meeting held on 15th June, 2018, subject to ratification by the Members at every AGM.

However, there is no further requirement to ratify the appointment of auditors by Members each year as per notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Further, the auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Partnership firm of the Statutory Auditors namely M/s. Sudit K Parekh & Co. has been converted to a Limited Liability Partnership with the name M/s. Sudit K Parekh & Co. LLP effective April 11, 2019.



SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of Companies Act, 2013 read with Rule 9 of the Companies (Appointment and remuneration Personnel) Rules, 2014, the Company had appointed M/s. GMJ & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for the financial year 2019-20. The Report of the Secretarial Audit is annexed herewith as Annexure IV.

COMMENTS ON AUDITORS REPORT

Neither the Secretarial Auditor nor the Joint Statutory Auditors have made any qualification, reservation or adverse remarks or disclaimer in their reports. The Reports of the Secretarial Auditor and the Joint Statutory Auditors are appended to this Report.

Further, during the year under review, the Joint Statutory Auditors have not come across or reported any incident of fraud to the Audit Committee.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE

There were no significant and material orders passed by regulators, courts or tribunal impacting the going concern status and company's future operations, during the year under review.

ACKNOWLEDGEMENTS

The Board wishes to express its sincere gratitude to the Insurance Regulatory and Development Authority of India, General Insurance Council, the National Company Law Tribunal, the Reserve Bank of India, Ministry of Corporate Affairs and various ministries of the Government of India.

The Board appreciates and acknowledges all the stakeholders-policyholders, Channel partners, reinsurers, intermediaries and shareholders for reposing their faith in the Company.

The Board takes this opportunity to thank the Promoters: Prism Johnson Limited, QBE Holdings (AAP) Pty. Ltd and QBE Asia Pacific Holdings Limited for providing their invaluable guidance and support.

The Board expresses its sincere appreciation to all the employees for their hard work, loyalty and commitment enabling the Company's continued growth.

For and on behalf of the Board of Directors

Raheja QBE General Insurance Company Limited

Akshay Raheja
Chairman and Non-Executive Director

Pankaj Arora
Managing Director & CEO

Place : Mumbai

Date : May 22, 2020



COMPLIANCE CERTIFICATE

This is to certify that in accordance with the Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 the implementation and monitoring of Corporate Social Responsibility Policy, Complies with the Corporate Social Responsibility objectives and policy of the Company.

Place: Mumbai
Date: May 22, 2020



Akshay Raheja
Chairman – CSR Committee



Pankaj Arora
Managing Director & CEO

COMPLIANCE CERTIFICATE

In accordance with the provisions of Corporate Governance Guidelines issued by Insurance Regulatory and development authority, I, Mr. Jigar Shah, Chief Compliance Officer of the Company hereby certify that the Company has complied with the provisions of Corporate Governance Guidelines for Insurance companies notified by IRDAI as amended from time to time and to the extent applicable, and nothing has been concealed or suppressed.

Place: Mumbai
Date: May 22, 2020



Jigar Shah
Chief Compliance Officer

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U66030MH2007PLC173129
2	Registration Date	August 14, 2007
3	Name of the Company	Raheja QBE General Insurance Company Limited
4	Address of the Registered office and contact details	Ground Floor, P&G Plaza, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai – 400099
5	Whether Listed Company	No
6	Name, address and contact details of Registrar and Transfer Agent, if any	KFintech Private Limited, KFintech, Tower – B, Plot No 31 & 32, Selenium Building, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032, Telangana, India, +91- 040 – 67162222

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Liability	General Insurance (Non-Life) 6512 subclass (65120)	31%
2	Motor TP	General Insurance (Non-Life) 6512 subclass (65120)	53%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Prism Johnson Limited "RAHEJAS", Main Avenue, V. P. Road, Santacruz (West), Mumbai – 400054	U66030MH2007PLC173129	Holding Company	51%	Section 2(46) of the Companies Act, 2013



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

i) Category-wise Share Holding

[illegible]



RAHEJA
QBE

[illegible]

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Grand Total (A+B+C)	-	20,70,00,000	20,70,00,000	100%	10,55,69,997	10,14,30,003	20,70,00,000	100%	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Prism Johnson Ltd.*	10,55,70,000	51%	-	10,55,70,000	51%	-	-
2	QBE Holdings (AAP) Pty. Ltd. #	5,38,20,000	26%	-	5,38,20,000	26%	-	-
3	QBE Asia Pacific Holdings Ltd	4,76,10,000	23%	-	4,76,10,000	23%	-	-
	Total	20,70,00,000	100%	-	20,70,00,000	100%	-	-

*Includes 3 shares each held jointly with individuals

Includes 2 shares each held jointly with individuals

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

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

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

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

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

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTM/ Manager		Total Amount
		Pankaj Arora, Managing Director & CEO [#]	Praveen Gupta, Managing Director & CEO ^{**}	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,20,94,320	-	3,20,94,320
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	96,96,408	96,96,408
	Total (A)	3,20,94,320	96,96,408	4,17,90,728
	Ceiling as per the Act	-	-	-

*Ceased to be Managing Director & CEO effective March 31, 2019

As per Form 16

B. Remuneration to Independent Directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Shobhan Thakore	Ameeta Parpia	Vikas Newatia	Swaraj Krishnan	
	Independent Directors					
	• Fee for attending board committee meetings	5,50,000	4,00,000	5,50,000	3,75,000	18,75,000
	• Commission	-	-	-	-	-
	• Others, please specify					
	Total (1)	5,50,000	4,00,000	5,50,000	3,75,000	18,75,000

C. Remuneration to Non-Executive Directors

Sr.No	Particulars of Remuneration	Akshay Raheja	Vijay Aggarwal	Aneeta Kulkarni	Vivekrishi Bhatia	Christopher Killourhy	Total Amount
	Other Non-Executive Directors						
	• Fee for attending board / committee meetings	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-

D. Remuneration to Key Managerial Personnel other than md/manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Jigar Shah Company Secretary & Chief Compliance Officer	Chandraprakash Jain, Chief Financial Officer	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,55,649	81,44,100	99,99,749
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	85,596	85,596
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-

4	Commission - as % of profit - others, specify...	-	-									
5	Others, please specify	-	-									
	Total	7185913	3989476	10324331	5759171	4833302	4040976	4207139	7075965	12101966	8494494	6801273 3

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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



**RAHEJA
QBE**

Annexure I

Information as per Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended March 31, 2020

Name & Designation of the Employee	Remuneration Received*	Nature of Employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of Commencement of Employment	Age	List of employment held by such employee before joining the Company;	% of Equity shares held by the employee in the Company	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
Pankaj Arora, MD & CEO	₹ 32094320	Permanent	PGDBM – Marketing, 20 years of experience	April 1, 2019	44	Videocon Liberty General Insurance Company Limited	-	-
Praveen Gupta, MD & CEO**	₹ 96,96,408	Permanent	M.A, DIP DM (IDM UK), FCII (UK), FIII, MAICD	10 th March 2008	63	Bajaj Allianz General Insurance Co.	-	-

*As per Form 16

** Ceased to be Managing Director & CEO effective March 31, 2019

Annexure II – ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	CSR policy is stated herewith below:
2	The Composition of the CSR Committee	1) Mr. Akshay Raheja 2) Ms. Ameeta Parpia 3) Mr. Vivekrishi Bhatia 4) Ms. Aneeta Kulkarni 5) Mr. Pankaj Arora
3	Average net profit of the Company for last three financial years	(₹ 5,42,25,437.60)
4	Prescribed CSR expenditure (two percent, of the amount as in item 3 above)	NA
5	Details of CSR spent during the financial year a) Total amount to be spend for the financial year; b) amount unspent, if any; c) Manner in which the amount spent during the financial year	Nil. However, ₹ 13,43,000 was spent during the year under review out of the carried forward unspent amount of ₹ 13,43,742 for the FY 2018-19. The sum of ₹ 742/- remained unspent inadvertently on account of difference in calculation due to rounding-off. Refer herewith below

SI . No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs subheads: 1) Direct Expenditure on projects or programs 2)Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Upgradation of facilities in S. L. Raheja Hospital for treatment of patients & Research	Promoting health including preventing healthcare	Mumbai, Maharashtra	₹ 0.10 Cr	Direct Expenditure	₹ 0.10 Cr	Through implementing partner Diabetic Association of India
2	Anti-Tobacco Awareness Programme	Promoting health including preventing healthcare	Mumbai, Maharashtra	₹ 0.03 Cr	Direct Expenditure	₹ 0.03 Cr	Through implementing partner Indian Cancer Society

Annexure III - CSR POLICY

(Approved by the Board of Directors on November 20, 2014 and effective as on date)

Corporate Social Responsibility is the continuing commitment of the Company to behave ethically and contribute to economic, sustainable and environmental development of the local community and society at large. All efforts are made to operate the Business with emphasis on Corporate Social Responsibility in all areas of operations by ensuring that the business values and operations meet the expectation of all stakeholders.

The objectives of the Policy are to:

- Promote a unified and strategic approach to CSR to incorporate the Company's philanthropic giving on the one hand and business, which creates shared value on the other hand, thus enabling maximum impact of the CSR initiatives.
- Ensure an increased commitment at all levels of the organization, to operate in an economically, socially and environmentally responsible manner while recognizing the interest of all its stakeholders.
- Focus on incorporating 'Shared Value' into the core of the Business which will result in creating value for the society.
- Encourage employees to participate actively in the Company's CSR.
- To fight and spread awareness about cancer disease through joint collaboration with Indian Cancer Society, being the CSR Focus Area.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,
The Members,
RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED
Ground Floor, P & G Plaza,
Cardinal Gracious Road,
Chakala, Andheri (East)
Mumbai - 400099

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** complied with the statutory provisions of the applicable Acts 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED** for the financial year ended on March 31, 2020 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") including The Companies (Amendment) Act, 2019, The Companies (Amendment) Ordinance, 2019 and the rules made thereunder;
- ii. Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

Cont...2...



...2...

- iv. The list of Acts, Laws and regulations specifically applicable to the Company are given below:
 - a) The Insurance Act, 1938 including amendments and part thereof;
 - b) The Insurance Regulatory and Development Authority Act, 1999 and rules and regulations made thereunder;
 - c) The Rules, regulations, guidelines, circulars and notifications issued by the Insurance Regulatory and Development Authority of India (IRDAI) as are applicable to a General Insurance Company.
- v. The Company has its own robust compliance system and the Company is also subject to monitoring by and reporting of compliances to IRDAI
- vi. We have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We report that during the conduct of the audit, in our opinion, adequate systems exist in the Company to monitor and ensure compliance with general laws.

We report that the Compliance by the Company of applicable financial laws, like direct, indirect tax laws and Goods and Service Tax has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

We further report that:

1. 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.
2. Adequate notice is given to all directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

Cont...3...



...3...

3. 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.

We further report that during the audit period;

1. The Company has altered its Articles of Association by inserting Article 16.11 whereby the Board of Directors shall have the power to appoint any person other than a person who fails to get appointed as a Director in a general meeting, as an Additional Director at any time who shall hold office up to the date of the next Annual General Meeting and complied with the necessary provisions of the Act and rules made thereunder.
2. The Company has shifted its registered office from Windsor House, 5th Floor, CST Road Kalina, Santacruz (East) Mumbai - 400098 to Ground Floor, P & G Plaza, Cardinal Gracious Road, Chakala, Andheri (East) Mumbai - 400099 w.e.f. September 23, 2019, i.e. within local limits of city and within the jurisdiction of the Registrar of Companies, Mumbai in accordance with the provisions of the Act.

As informed, the Company has responded appropriately to notices received from the statutory / regulatory authorities including by taking corrective measures wherever found necessary.

For GMJ & ASSOCIATES
Company Secretaries

[SONIA CHETTIAR]
PARTNER
ACS: 27582 COP: 10130
UDIN : A027582B000290383
PLACE: MUMBAI
DATE: MAY 27, 2020.

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.



ANNEXURE A

To,
The Members,
RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED
Ground Floor, P & G Plaza,
Cardinal Gracious Road,
Chakala, Andheri (East)
Mumbai - 400099

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. 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.



7. Due to the outbreak of COVID -19 pandemic and the current lockdown in the entire country, physical examination of documents under Companies Act, 2013 and IRDAI is not possible; we have therefore relied upon the documents provided by the Company in electronic mode for Audit purpose.

For GMJ & ASSOCIATES
Company Secretaries



[SONIA CHETTIAR]
PARTNER
ACS: 27582 COP: 10130
UDIN : A027582B000290383

PLACE: MUMBAI
DATE: MAY 27, 2020.



Nomination & Remuneration Policy

Version	1.4	23rd 2020
Approval	RQBE Board	
Owner	Shefali Suri	Head – Human Resuces
Frequency of review	Annually	
Doc. name	RQBE Nomination & Remuneration Policy CIN: U66030MH2007PLC173129	

1. Introduction	2
1.1 Scope and Applicability	
1.2 Objectives	
1.3 Scope	
1.4 Alignment with Risk management framework	
1.5 Definitions	
2. Principles and framework	5
2.1 Remuneration and reward framework	
2.2 Directors Appointment	
2.3 Managing Director & Executive Director	
2.4 Non- Executive Director	
2.5 Appointment, Re-appointment & Remuneration of MD and Or CEO	
2.6 Key Management Person & Senior Management	
2.7 Other Employees	
3. Review & Disclosure	4

1. Introduction

1.1 Scope & Applicability

The Nomination and Remuneration Policy including the remuneration framework is applicable to: -

1. Non-executive Directors of the Company.
2. The remuneration framework covers all employees of the Company, employed on a permanent or contractual basis.
3. Till such time as a separate policy is framed for remuneration of the Chairman of the Board, this policy would apply.

1.2 Objective:

The objective of the Nomination and Remuneration Policy of Raheja QBE General Insurance Company Limited ("the Company" or "RQBE") for members of the Board of Directors, Key Managerial Personnel (KMP) and Senior Management is to focus on enhancing the value, to retain and motivate employees and Directors for achieving the objectives of the Company and to place the Company in a leadership position.

This includes recommendations of the Nomination & Remuneration Committee ("**NRC**") to the Board on:

- The employment arrangements of the Managing Director & CEO and any executives reporting to him;
- The remuneration of any other persons or categories of persons covered by this Policy; and
- Non-executive director remuneration.

The Board believes that orderly succession and renewal contributes to strong corporate governance and is achieved by careful planning and continual review. Directors consider the size and composition of the Board on periodical basis, as part of the Board review procedure. The Board has a skills matrix covering the competencies and experience of each member.

The NRC, in particular, assesses the appropriateness of remuneration frameworks and practices in order to fairly and responsibly reward the Managing Director and CEO and other members of the Senior Management and KMP. The NRC recognises that the key to achieving sustained performance is to motivate and retain quality employees and align executive reward with changing shareholder wealth.

The Nomination and Remuneration Committee (NRC) of the Board shall, while formulating the policy to ensure that -

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- c. Remuneration to Directors, KMPs and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

RQBE's governance of remuneration focuses on aligning the remuneration and reward strategy and frameworks with robust risk management practices and strong governance principles. While deciding the policy on remuneration of Directors, the NRC may consider amongst other things, the duties and responsibilities cast by the Companies Act, 2013, Insurance Regulatory and Development Authority (hereinafter referred as 'IRDAI'), various Codes of Conduct, Articles of Association, the valuable contributions and inputs from Directors based on their knowledge, experience and expertise in shaping the destiny of the Company, etc.

The Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act 2013 and principles pertaining to qualifications, positive attributes, integrity and independence of Directors, etc.

The policy is based on the following principles which are advocated by the Financial Stability Board and included in the IRDAI guidelines, namely;

1. Effective Governance of Compensation – active Board oversight
2. Effective alignment of compensation to prudent risk taking
3. Effective supervisory oversight and engagement by stakeholders.

The Board aims to have remuneration structures in place that encourage the achievement of a return for shareholders in terms of both dividends and growth in share price. The Board has access to detailed external research from independent consultants and advisers to ensure that remuneration and reward levels are appropriate and are in line with market conditions.

1.3 Alignment with risk management framework

This Policy is designed to align with RQBE's risk management framework. Some key components of that framework include:

- a) The RQBE Risk Management Strategy ("RMS") that outlines the principles, framework and approach to risk management adopted by RQBE and is embedded for providing a consistent approach to managing risk;
- b) An extensive system of delegated authorities that support the structured and measured cascade of risk appetites set by the relevant boards, empower employees to make decisions within clearly defined risk limits and therefore control the extent to which individuals can commit the current or future assets of RQBE; and
- c) RQBE policies - employees are required to adhere to a range of policies to ensure risk-taking is well managed, strong governance structures are in place and high ethical standards are maintained.

1.4 Definitions

For the purpose of this Policy, the following definitions apply.

“Companies Act” means the Companies Act, 2013 (and Companies Act, 1956, as applicable) and Rules framed there under, as amended from time to time.

“Insurance Act” means the Indian Insurance Act, 1938 and the Insurance Amendment Act, 2015 and Rules framed thereunder as amended from time to time.

“Authority” means the Insurance Regulatory and Development Authority of India (IRDAI)

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company, including Non-Executive Directors (NEDs)

“Key Managerial Personnel” means

- Managing Director / Chief Executive Officer / Manager / Whole-time Director,
- Chief Financial Officer,
- Company Secretary,
- Appointed Actuary,
- Chief Investment Officer,
- Chief Risk Officer,
- Chief Compliance Officer,
- Functional head one level below Managing Director & CEO, and
- Such other officer as may be prescribed.
- [Or any other position as defined by the organisation as KMP](#)

“Senior Management” means personnel of the Company who are members of its core management team one level below the Board of Directors including Functional Heads.

Abbreviations:

NRC – Nomination & Remuneration

NR Policy – Nomination & Remuneration Policy

2. Principles and framework

2.1 Remuneration and reward framework

RQBE remuneration and reward framework is outlined in the table below:

Total remuneration and reward framework		
Component	Design	Purpose and link to strategy
Fixed remuneration	<ul style="list-style-type: none"> • Consists of Annual Base (Fixed Salary) and expressed as Rupees currency as an annual amount. 	<ul style="list-style-type: none"> • Retention and attraction – market competitive.

	<ul style="list-style-type: none"> • Whether required by local employment law or not, an amount paid in favour of the employee to a sovereign or private fund, expressed as a percentage of base salary, as a retirement benefit • Other guaranteed annual benefits like provision of health and welfare programs, superannuation or pension contributions, Term Insurance, Accident Insurance, Gratuity and the applicable taxes thereon or other non-cash awards • Delivered in accordance with terms and conditions of employment 	<ul style="list-style-type: none"> • Positioned at a level that reflects the contribution and value to the Company and as required by each geographic market with a target generally at the 50th percentile but may be within a range of 25th – 75th percentile • Recognises capability, scope and complexity of business, expertise and performance of the individual • Designed to provide a predictable 'base' level of remuneration • Reviewed annually on 1 April or on promotion
STI: cash	<ul style="list-style-type: none"> • Cash award for delivering short-term performance over a 12-month period based on Group ROE and/or divisional RoAC targets, Country GWP and PMP objectives • Participation is for all employee's basis their evaluation of annual performance • All eligible employees have a portion of their STI award determined by the Group statutory ROE result • RoAC will be calculated as the divisional management-basis profit divided by allocated capital, consistent with externally validated economic capital models • All eligible participants have their incentive based on a balanced scorecard of financial and non-financial KPIs/objectives that is relevant to their role • All of the STI awarded will be delivered in cash. • The STI rules provide suitable discretion to the Remuneration Committee to adjust any formulaic outcome to ensure STI awards appropriately reflect performance 	<ul style="list-style-type: none"> • Rewards performance over a short-term period - aligned and linked to annual business plans, risk-adjusted financial metrics and PMP objectives • Links to performance – achievement of financial targets based on Group and divisional performance, giving clear alignment with shareholders • Group statutory ROE and divisional RoAC are solid measures of profit for which to evaluate executive performance • STI opportunity for executives has reduced as a result of re-balance of incentives to the longer term • The STI plan focuses on financial performance however the introduction of a balanced scorecard of individual KPIs will consider a broader view of performance and specific strategic priorities. The scorecard is aligned to QBE's/ RQBE's business plans and measures objectives in the following categories: value creation, performance, transformation, people and risk management
Total remuneration and reward framework		
Component	Design	Purpose and link to strategy

<p>Bonus (isn't this same as STI)</p>	<ul style="list-style-type: none"> • Cash award for delivering short-term performance over a 12-month period based on specific country targets, and PMP objectives • Delivered as a cash payment in March • Participation is limited to employees at levels 4, 5 and 6 • All eligible participants have at least 20% of their incentive based on a balanced scorecard of financial and non-financial KPIs/objectives that is relevant to their role • The Bonus rules provide suitable discretion to the Remuneration Committee to adjust any formulaic outcome to ensure Bonus awards appropriately reflect performance 	<ul style="list-style-type: none"> • Rewards performance over a short-term period - aligned and linked to annual business plans, risk-adjusted financial metrics and PMP objectives • Links to performance – achievement of financial targets based on Country performance, giving clear alignment with shareholders • The Bonus plan focuses on a mix of financial performance and individual balanced scorecard measures, which considers a broader view of performance and specific strategic priorities. The scorecard is aligned to QBE's business plans and measures objectives in the following categories: value creation, performance, transformation, people and risk management.
--	---	--

2. Directors Appointment

When the need for a new director is identified, the required experience and competencies of the new director are defined in the context of this matrix and any gaps that may exist. Generally, a list of potential candidates is identified based on these skills required and other issues such as geographic location and diversity criteria. External consultants may be employed where necessary to search for prospective board members. Candidates are assessed against the required skills and on their qualifications, backgrounds and personal qualities. In addition, candidates are sought who have insurance experience, a proven track record in creating shareholder value, utmost integrity, a commitment to corporate governance, the required time to commit to the position, a strategic mindset, a preparedness to constructively question and challenge and an independence of mind. As per the policy followed by the Company, the Non-executive Directors are paid remuneration in the form of sitting fees for attending Board and Audit Committee meetings as fixed by the Board of Directors from time to time, subject to statutory provisions.

Remuneration of the Directors reflects the overall remuneration philosophy and guiding principle of the Company. The NRC while designing the remuneration considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully. While considering the remuneration, the NRC ensures a balance between fixed and performance linked variable pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

The NRC considers that a successful Remuneration Policy must ensure that some part of the remuneration is linked to the achievement of corporate performance targets.

2.3. Managing Director and Executive Directors

The term of office and remuneration of Managing Director and Executive Directors are subject to the approval of the Board of Directors, Shareholders and Central Government, IRDAI as applicable in terms of the provisions of Insurance Act, 1938 and the Companies Act, 2013, amended from time to time.

Remuneration for Managing Director and Executive Directors are designed to remunerate them fairly and responsibly. The remuneration comprises of salary, perquisites and performance-based incentive apart from retirement benefits like P.F., Superannuation, pension, Gratuity, Leave Encashment, etc., as per Rules of the Company and as may be mutually agreed to by the Managing Director/Executive Director(s) and the NRC/Board.

While considering the appointment and remuneration of Managing Director and Executive Directors, the NRC shall consider the industry benchmarks, merit and seniority of the person and shall ensure that the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long-term.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay, remuneration to its Managing Director and Executive Directors subject to the approval of the Board of Directors, Shareholders and Central Government, IRDAI as applicable in terms of the provisions of Insurance Act, 1938 and the Companies Act, 2013, amended from time to time.

If any Managing Director and Executive Directors draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Insurance Act, 1938 and the Companies Act, 2013 or without the prior sanction of the IRDAI and the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

The Managing Director and Executive Directors are entitled to customary non-monetary benefits as per policies of the Company from time to time.

2.4. Non-executive Directors

The Non-Executive Directors (NEDs) may be paid remuneration by way of commission and/or sitting fees as may be decided by the Board of Directors and Shareholders of the Company from time to time.

At present, the Company pays sitting fees to the NEDs for attending the meetings of the Board and Audit Committee constituted by the Board; the reimbursement of expenses of the NEDs for participation in the Board and Committee meetings is also provided for in the policy. The Board shall, at its discretion, pay sittings fees to the NEDs for attending any other Committee meetings.

The Board may, subject to compliance with the provisions of the Companies Act, 2013, and at its discretion, advise payment of remuneration in the form of profit related commission to the non – executive directors, subject to the Company making profits, subject to an upper

limit of ₹.10,00,000/= (₹ Ten lac) per annum for each such director.

2.5. Appointment, Reappointment and Remuneration of Managing Director (MD) and or Chief Executive Officer (CEO), :

The appointment, re appointment or termination of appointment as well as the remuneration payable to the MD and or CEO is governed by the provisions of Section 34A of the Insurance Act, 1938 and in compliance thereof and notwithstanding the applicable sections of the Companies Act, 2013, shall be effective only when approved by the Authority.

The annual remuneration of the Managing Director & CEO (including all perquisites, plus bonuses etc, by whatsoever names) in excess of ₹ 1,50,00,000/- shall be borne by the shareholders.

No remuneration shall be paid to the Whole Time Director, Managing Director, CEO or Key Managerial Personnel by any of the promoter/investors or by the group companies of the promoter companies.¹

The provisions of the Insurance Act, 1938 with regard to remuneration of the Managing Director and/or the Chief Executive Officer requires the prior approval of the Authority. The policy specifies that conferring any benefit or provision or providing any amenity or perquisite in whatever form, whether during or after the termination of the office of the Managing Director and or the Chief Executive Officer, shall be deemed to be a provision relating to his remuneration.

The policy prescribes the following framework for the remuneration payable to the MD/CEO: -

1. For Short Term Incentive (STI) purpose, Performance Management Process (PMP) shall include following types of risk, along with other parameters
 - i. Renewals
 - ii. Solvency risk.
 - iii. Grievance redressal risk
 - iv. Expenses of Management
 - v. Claim Settlement
 - vi. Claims repudiation
 - vii. Overall compliance status
 - viii. Overall financial position such as the Net Worth Position.

2. Fixed and Variable Pay composition and deferral.

The provisions of the IRDAI guidelines would be applicable. The fixed pay would be reasonable, taking into account various factors and based on the recommendations of the Nomination and Remuneration Committee. The variable pay may be payable in cash or stock linked instruments or a mix of both.

3. Clawback:

The provision for clawback in case of deferral remuneration (as the case maybe), as

¹ ESOP is excluded from the scope of total remuneration as prescribed by IRDAI (Remuneration of CEO/Wholetime Director/Managing Directors of Insurers) Guidelines 2016

provided in the IRDAI guidelines would be applicable subject to actual performance and the exact mechanism for the same will be put in place subject to the Nomination and Remuneration Committee's approval.

Guaranteed bonus.

The provision for guaranteed bonus, if necessary, would be separately decided at a later date and included in the purview of this policy.

Severance Pay

The severance pays, if required to be paid, would only include accrued benefits such as Gratuity etc. Superannuation and would be paid only with prior approval of the Board. Such severance pay would not include notice period pay.

2.6 Key Managerial Personnel and Senior Management

RQBE sets performance targets and remuneration incentives based on parameters such as insurance profit and risk adjusted return on equity. Embedding risk management within daily management practices assists management to achieve performance targets while avoiding unwelcome surprises throughout the business management cycle. Terms and conditions of the appointment including the remuneration of KMPs are subject to the approval of the NRC and the Board of Directors. The remuneration of the senior management shall be decided based on this Policy.

Total remuneration comprises of:

1. **A fixed base salary** - set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. **Perquisites** – in the form of house rent allowance/accommodation, , reimbursement of medical expenses, insurance, conveyance, leave travel, etc., as may be mutually negotiated and as applicable as per Company Rules.
3. **Retirement benefits** - contribution to PF, superannuation, Gratuity, etc. as may be applicable as per Company Rules.
4. **Motivation /Reward** - A performance appraisal is carried out annually and promotions/increments/ rewards are decided based on the appraisal and recommendation of the concerned Executive Director, where applicable, as per Company Rules.

The annual variable pay of senior management is linked to the performance of the Company/respective Divisions in general and their individual performance for the relevant year measured against specific Key Result Areas.

The Company while deciding the remuneration of the senior management members takes into consideration, inter alia, the following items:

- a) merit and seniority of the person
- b) employment scenario
- c) industry benchmark, and

2.7 Other employees

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable. Policy of motivation /reward are applicable to this category of personnel as in the case of those in the senior management cadre.

2.8 Loans and/or advances

The Company may grant temporary loans and advances to its full time employees (*excluding Whole Time Director/MD/Executive Director, Manager (as defined under Companies Act, 2013), Company Secretary (CS), Chief Financial Officer (CFO), Actuary, Auditor or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act*) either on hypothecation of property or on personal security or otherwise.

The loans or temporary advances to full time employees can be granted at the discretion of the Company with the approval of the Managing Director & CEO and CFO only for the following purposes:

- a. Advance for Funeral expenses;
- b. Advance for Marriage expenses;
- c. Advance for travelling domestic or overseas for official purposes;
- d. Advance for purchasing Mobile Phone as per Company policy;
- e. Advance for Medical Emergencies for self/Family

Provided further that the aggregate of all loans taken together by a full-time employee shall not exceed three month's gross salary of an employee or Rupees One Crore whichever is lower at any point in time.

Any loans or advances granted under the policy shall be interest free and shall form part of compensation/remuneration package of such employee subject to applicable taxes and shall not be included for Available Solvency Margin calculation. The tenure of the loan/advances and recovery process shall be as stated in the H.R policies of the Company.

3. REVIEW AND DISCLOSURE

Information on the total remuneration of members of the Company's Board of Directors, Managing Director and Executive Directors and KMPs may be disclosed in the Board's report and the Company's annual report / website as per statutory and regulatory requirements as issued from time to time.

The Board will review the contents of, and compliance with, this Policy regularly. This Policy shall be effective from the financial year the date of approval of the policy by the Board or 3 months from the date of issuance of the IRDAI guidelines, whichever is earlier.

- **Performance Appraisal**

The CEO will conduct annual performance appraisals for all Employees to monitor and review the appropriateness of each remuneration package.

- **Board**

The Board will be responsible for approving the remuneration strategy for directors, senior management and other employees of the Company. In determining whether to approve the relevant level of remuneration, the Board will consider the recommendations from the Nomination & Remuneration Committee, prevailing market conditions, performance by the individual and the business strategies and objectives of the Company, subject to the regulatory guidelines issued from time to time.

- **Human Resources**

The Human resources division of the company will monitor the day to day compliance with this policy.

RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

MANAGEMENT REPORT

In accordance with the provisions of the Insurance Regulatory and Development Authority (IRDAI) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Management submits the following Report:

1. We confirm the validity of Certificate of Registration granted by Insurance Regulatory and Development Authority of India to transact general insurance business, which has been renewed for FY 2019-20.
2. We certify that all dues payable to statutory authorities have been duly paid.
3. We confirm that the shareholding pattern is in accordance with the statutory and regulatory requirements.
4. We confirm that the company did not directly or indirectly invest any policyholder's funds outside India.
5. We confirm that the required solvency margin under the Insurance Act, 1938 / Insurance Laws (Amendment) Act, 2015 has been maintained.
6. We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and in management's belief the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the several headings – "Loans and Advances", "Investments", "Interest", "Sundry Debtors", "Cash", "Interest accruing but not due", "Agents balances", "Amounts due from other persons or Bodies carrying on insurance business" and the several items specified under "Other Accounts".
7. The Company is exposed to a variety of risks associated with general insurance business based on kinds of risks undertaken and fluctuations in value of assets. The Company has adopted a 'Risk Management Strategy' to mitigate the overall risk exposure.
8. We confirm that company does not have operations in any country outside India.
9. The average claims settlement time for FY 2019-20, ageing analysis of claims registered and not settled (excluding provision for IBNR/IBNER, claims relating to inward re-insurance from terrorism pool and reinsurance recovered) and details of claims intimated is given in – Annexure I, Annexure II and Annexure III respectively.
10. We certify that the investments have been valued as per the IRDAI (Financial Statement) Regulations 2002. The market value of Debt securities is based on the procedure issued by Fixed Income Money Market and Derivatives Association of India (FIMMDA).

The Company's investment portfolio is in line with the IRDAI (Investment) Regulations, 2016 and circulars and the internal guidelines set by the Investment committee. The company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. We ensure that all the investments are made with the objective of the effective management of the funds available for Investment. As of the Balance Sheet date, 43.96% of investments are

made in Government Securities, 14.08% in Housing Bonds, 18.44% in Infrastructure Bonds, 23.52% in Approved Investments and 0% in Other Investment.

As per Master Circular of IRDA dated May 2016, we have classified the Investments in the securities of IL&FS as Non – Performing Asset (NPA) since the interest on securities has remained overdue for more than 90 days. A provision of 100% of the amortized value of investments in IL&FS amounting to Rs. 1,99,967 thousands is done basis internal assessment and the interest accrued on all the IL&FS securities has been reversed upto 31st March 2020.

We ensure all measures are in place to adhere to all investment regulatory norms.

11. We also confirm that:

- a) In preparation of financial statements, the applicable accounting standards, principles and policies have been followed and there has been no material departure;
- b) The management has adopted accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2020 and Rs.6,21,145 thousands loss of the Company for the year;
- c) The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938) / Companies Act, 2013 / Insurance Laws (Amendment) Act, 2015 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The management has prepared the financial statements on a going concern basis;
- e) The management has ensured that the internal audit system is commensurate with the size and the nature of business and is operating effectively.

12. The schedule of payments which have been made to individuals, firms, companies and organizations in which Directors of the insurer are interested is as below:

(Rs.000)

Sr. No	Name of Director	Entity in which the Director is interested	Interested as	Amount of payment during the financial year	Nature of Payment
1	Mr. Akshay Raheja Mr. Vijay Aggarwal Ms. Ameeta Parpia Mr. Shobhan Thakore Ms. Aneeta Kulkarni	Prism Johnson Ltd. (Formerly Prism Cement Limited)	Shareholder Managing Director & KMP Independent Director & Shareholder Chairman & Independent Director KMP	120	Leave and License fee
2	Mr. Akshay Raheja	Windsor Realty Private Ltd.	Director & Shareholder	8,794	Leave and License fee
3	Mr. Akshay Raheja Ms. Ameeta Parpia	Hathway Cable & Datacom Ltd.	Director & Shareholder Independent Director & Shareholder	423	Subscription charges
4	Mr. Vijay Aggarwal	Exide Life Insurance Co. Ltd.	Non-Executive Independent Director	1,545	Group Term Insurance
5	Mr. Akshay Raheja	Globus Stores Pvt. Ltd.	Director & Shareholder	90	Claim payment

For and on behalf of the Board of Directors

**Akshay
Rajan
Raheja**

Akshay Raheja
Chairman
DIN. 00288397

**VIJAY
AGGARWAL**

Vijay Aggarwal
Director
DIN. 00515412

**SWARAJ
KRISHNAN**

Swaraj Krishnan
Independent Director
DIN. 02920929

**PANKAJ
ARORA**

Pankaj Arora
Managing Director & CEO
DIN. 08327428

**CHANDRAPRAKASH
JAIN**

Chandraprakash Jain
Chief Financial Officer
PAN.ADJP9309D

**SHAH JIGAR
ASHWIN**

Jigar Shah
Company Secretary
ACS No.A34571

Mumbai,
Date: 22nd May 2020

ANNEXURE I - Average Claims Settlement Time

	2019-20		2018-19		2017-18		2016-17		2015-16	
Line of Business	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	11	346	8	343	5	349	5	41	-	-
Motor (OD)	201	37	37	85	4	130	1	251	-	-
Motor (TP)	156	465	97	330	31	252	9	1020	7	542
Marine	-	-	1	39	-	-	-	-	-	-
Personal Accident & Health	57	222	8	232	48	156	59	143	50	80
Miscellaneous	25	237	7	152	5	81	10	138	2	58
Engineering	10	174	1	355	-	-	-	-	2	292
Public/Other Liability	163	637	129	417	152	351	66	262	48	213
Workmen Compensation	5	274	3	52	3	49	1	306	1	201

ANNEXURE II - Ageing Analysis of Open Claims

Ageing Analysis of Open Claims as on 31st March, 2020 (Rs'000)

Line of Business	Fire		Marine		Engineering		Public/Other Liability		Motor (OD)		Motor (TP)		Personal Accident & Health		Misc.*		Total	
Period	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
30 days	1	5	-	-	-	-	15	8250	53	4,833	23	9,437	1	45	7	166	100	22,736
30 days to 6 months	5	388	-	-	-	-	74	34,186	7	405	107	71,855	6	742	9	318	208	1,07,893
6 months to 1 year	6	3,555	-	-	-	-	60	30,654	1	110	143	1,33,227	5	1,592	11	12,433	226	1,81,571
1 year to 5 years	-	-	-	-	-	-	75	2,08,758	-	-	186	2,50,010	5	1,523	8	5618	274	4,65,909
5 years and above	1	397	-	-	-	-	1	4,294	-	-	-	-	1	35	-	-	3	4,726

Ageing Analysis of Open Claims as on 31st March, 2019 (Rs'000)

Line of Business	Fire		Marine		Engineering		Public/Other Liability		Motor (OD)		Motor (TP)		Personal Accident & Health		Misc.*		Total	
Period	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
30 days	1	13	-	-	-	-	4	2394	3	662	17	17,211	-	-	4	2103	29	22,383
30 days to 6 months	-	-	-	-	2	200	33	19,820	11	528	102	98,222	5	1098	3	1340	156	1,21,208
6 months to 1 year	-	-	-	-	1	120	53	55,262	-	-	83	71,378	1	190	2	1,083	140	1,28,033
1 year to 5 years	5	565	-	-	-	-	118	1,84,099	2	36	86	68,039	1	21	5	8481	217	2,61,241
5 years and above	-	-	-	-	-	-	3	4,351	-	-	-	-	-	-	-	-	3	4,351

Ageing Analysis of Open Claims as on 31st March, 2018 (Rs'000)

Line of Business	Fire		Marine		Engineering		Public/Other Liability		Motor (OD)		Motor (TP)		Personal Accident & Health		Misc.*		Total	
Period	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
30 days	-	-	1	20	-	-	16	5295	1	100	15	9,964	-	-	1	900	34	16,279
30 days to 6 months	7	523	-	-	-	-	83	21,545	1	306	75	45,135	2	16	4	2676	172	70,201
6 months to 1 year	1	252	-	-	1	410	36	12,040	1	105	37	26,678	-	-	1	6,600	77	46,085
1 year to 5 years	3	502	-	-	-	-	94	69,820	-	-	22	16,682	2	68	1	0	122	87,071
5 years and above	-	-	-	-	-	-	1	787	-	-	-	-	-	-	-	-	1	787

Ageing Analysis of Open Claims as on 31st March, 2017 (Rs'000)

Line of Business	Fire		Marine		Engineering		Public/Other Liability		Motor (OD)		Motor (TP)		Personal Accident & Health		Misc.*		Total	
Period	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
30 days	1	506	-	-	-	-	10	4210	-	-	5	1,781	6	136	-	-	22	6,633
30 days to 6 months	4	3,825	-	-	-	-	60	13,391	1	310	27	18,007	19	456	4	864	115	36,853
6 months to 1 year	-	-	-	-	-	-	48	18,738	-	-	1	1,455	6	742	-	-	55	20,934
1 year to 5 years	2	1,852	-	-	-	-	47	33,298	-	-	-	-	1	67	1	4000	51	39,217
5 years and above	-	-	-	-	-	-	1	641	-	-	-	-	-	-	-	-	1	641

Ageing Analysis of Open Claims as on 31st March, 2016 (Rs'000)

Line of Business	Fire		Marine		Engineering		Public/Other Liability		Motor (OD)		Motor (TP)		Personal Accident & Health		Misc.*		Total	
Period	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
30 days	-	-	-	-	-	-	4	160	-	-	-	-	-	-	-	-	4	160
30 days to 6 months	1	1,455	-	-	-	-	18	6,802	-	-	1	125	1	100	1	38	22	8,520
6 months to 1 year	-	-	-	-	-	-	35	8,190	-	-	-	-	3	969	1	360	39	9,519
1 year to 5 years	1	397	-	-	-	-	13	8,102	-	-	3	1,406	3	609	-	-	20	10,514
5 years and above	-	-	-	-	-	-	1	641	-	-	-	-	-	-	-	-	1	641

*Misc. includes Employer's Liability

ANNEXURE III - Details of Claims Intimated

(Rs'000)

Line of Business	For the year ended March 31,2020		For the year ended March 31,2020	
	Claims Intimated	Amount	Claims Intimated	Amount
Fire	13	1,959	3	675
Marine	-	-	-	-
Motor (OD)	255	12,755	47	5,495
Motor (TP)	314	1,93,240	237	1,88,556
Employer's Liability	26	3,399	10	4,640
Public/Other Liability	172	59,510	112	52,183
Engineering	7	1,581	3	240
Personal Accident	20	4,669	10	1,344
Health	48	3,408	2	38
Other Misc.	20	3,480	4	62
Total	875	2,84,000	428	2,53,233

INDEPENDENT AUDITORS' REPORT

To the Members of Raheja QBE General Insurance Company Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Raheja QBE General Insurance Company Limited** (the 'Company'), which comprise the Balance Sheet as at March 31, 2020, and the Revenue Account of Fire, Marine and Miscellaneous insurance (collectively known as the 'Revenue Account'), the Profit and Loss Account and the Receipts and Payments Account for the year then ended on that day, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required in accordance with the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 (the 'Insurance Act'), the Insurance Regulatory and Development Authority Act, 1999 (the 'IRDA Act'), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the 'IRDA Financial Statements Regulations'), orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India (the 'IRDAI') in this regard and the Companies Act, 2013 ('the Act') to the extent applicable and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to the Insurance Companies:

- i. In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- ii. In case of Revenue Account, of the operating profit in case of Fire and Marine business and operating loss in case of Miscellaneous business for the year ended on that date;
- iii. In case of the Profit and Loss Account, the loss for the year ended on that date; and
- iv. In case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the Auditor Responsibilities for 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 (the 'ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter –

We draw attention to Note no. 3.2.13 to the financial statements which explains that the management has applied principles of prudence to assess and provide for the impact of the pandemic on the financial statements. In view of the highly uncertain future economic conditions associated with the pandemic, the actual impact on the financial statements in the subsequent periods is highly dependent upon the circumstances as they evolve.

Our opinion is not modified in respect of this matter

Other Matter

The estimate of liabilities in respect of Claims Incurred But Not Reported ('IBNR'), Claims Incurred But Not Enough Reported ('IBNER') and Premium Deficiency Reserve ('PDR') as at March 31, 2020 has been duly certified by the Company's appointed actuary and in his opinion, assumptions considered for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the appointed actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including annexures to Directors' Report, the Management Report, Annual Report on Corporate Social Responsibility Report but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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 this fact. We have nothing to report in this regard.

Responsibility of the Management for the financial statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the accounting principles generally accepted in India, including the relevant provisions of the Insurance Act, the IRDA Act and in the manner so required to the extent not inconsistent with the accounting and presentation principles as prescribed under the IRDA Financial Statements Regulations and orders/directions/circulars issued by the IRDAI in this regard, and Accounting Standards specified under section 133 of the Act and the rules framed thereunder, to the extent applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as 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.

Auditors' responsibilities for audit of the financial statements

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 auditors' 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 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.

In conducting our audit, we have taken into account the provisions of the Act, the Insurance Act, the IRDA Act, The IRDA Financial Statements Regulations, orders/directions/circulars issued by the IRDAI, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act, Rules and Regulations made thereunder.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 auditors' 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 auditors' 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that are reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate of even date on the matters specified in paragraph 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. Further to our comments in the certificate referred to in the other matter, as required by the IRDA Financial Statements Regulations, read with sub section (3) of Section 143 of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory.
 - b. In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. As the Company's financial accounting system is centralized and maintained at the Corporate Office, no returns for the purpose of our audit are prepared at the branches 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. 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 specified under Section 133 of the Companies Act, to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions/circulars issued by the IRDAI in this regard.
 - f. In our opinion and to the best of our information and according to the explanations given to us, investments of the Company have been valued in accordance with the provisions of the Insurance Act, the Regulations and / or orders/directions issued by IRDAI in this regard;
 - g. In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under Section 133 of the Act and rules framed there under, as applicable and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders/directions/circulars issued by the IRDA in this regard;
 - h. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of sub-section 2 of Section 164 of the Act.

Shah Gupta & Co.
Chartered Accountants
38, Bombay Mutual Building,
Dr. D. N. Road, Fort,
Mumbai – 400 004.

Sudit K. Parekh & Co. LLP
Chartered Accountants
Urmi Axis, 6th Floor, Famous Studio Lane,
Dr. E. Moses Road, Mahalaxmi,
Mumbai – 400 011.

- i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' to this report.
- j. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of the sub-section 16 of Section 197 of the Act, as amended, 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 the approval of the IRDAI. Accordingly, the managerial limits specified under the provisions of Section 197 of the Act are not applicable to the Company.
- 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, as amended, 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 3.1.1 to the Financial Statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Company does not have any pending amount, required to be transferred, to the Investor Education and Protection Fund.

For **Shah Gupta & Co.**
Chartered Accountants
Firm Reg. No: 109574W

**HENEEL
KAMLESH
PATEL**

CA. Heneel K. Patel

Partner

M. No. 114103

UDIN : 20114103AAAAAM5814

Place: Mumbai

Date: May 22, 2020

Digitally signed by HENEEL KAMLESH PATEL
DN: c=IN, o=Personal, postalCode=400002,
st=MAHARASHTRA,
serialNumber=ed95f076cd17b5eb23d8397
4923027bde6474dea07c444ea1422d2c7790
63c56, cn=HENEEL KAMLESH PATEL
Date: 2020.05.22 20:46:18 +05'30'

For **Sudit K. Parekh & Co. LLP**
(Previously Sudit K. Parekh & Co.)
Chartered Accountants
Firm Reg. No: 110512W / W100378

**KAPADIA
NEMISH
BHARAT**

Nemish Kapadia

Partner

M. No.111929

UDIN : 20111929AAAABM5840

Place: Mumbai

Date: May 22, 2020

Digitally signed by KAPADIA NEMISH BHARAT
DN: c=IN,
serialNumber=f515b6d0388158cd58660e58dcd1b
bf2787d2f1a0cd498ad93043b1ab57f9fba,
o=Personal, cn=KAPADIA NEMISH BHARAT,
2.5.4.20=2a7c1bf0903e42209282ce58092a5f1343
3ba1f45c9696e878624c1abeb194, street=A-302 R
N A REGENCY PARK M G ROAD KANDIVALI WEST,
email=nemish.kapadia@skparekh.com,
st=Maharashtra
Date: 2020.05.22 19:25:20 +05'30'

Annexure to the Independent Auditor's Report

(Referred to in paragraph 2(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Raheja QBE General Insurance Company Limited** ('the Company') as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

The estimate of liabilities in respect of claims Incurred But Not Reported ('IBNR'), Incurred But Not Enough Reported ('IBNER') and Premium Deficiency Reserve ('PDR') as at March 31, 2020 has been duly certified by the company's appointed actuary as per the regulations, and has been relied upon by us, as mentioned in para 'Other Matters' of our audit report on the financial statements for the year ended March 31, 2020. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the adequacy and operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation. Our opinion is not modified in respect of this matter.

For **Shah Gupta & Co.**

Chartered Accountants

Firm Reg. No: 109574W

**HENEEL
KAMLESH
PATEL**

Digitally signed by HENEEL KAMLESH PATEL
DN: c=IN, o=Personal, postalCode=400002, st=MAHARASHTRA, serialNumber=ed95f076cd17b5eb23d83974923027bde6474dea07c444ea1422d2c779063c56, cn=HENEEL KAMLESH PATEL
Date: 2020.05.22 20:46:53 +05'30'

CA. Heneel K. Patel

Partner

M. No. 114103

UDIN: 20114103AAAAAM5814

Place: Mumbai

Date: May 22, 2020

For **Sudit K. Parekh & Co. LLP**

(Previously Sudit K. Parekh & Co.)

Chartered Accountants

Firm Reg. No: 110512W / W100378

**KAPADIA
NEMISH
BHARAT**

Digitally signed by KAPADIA NEMISH BHARAT
DN: c=IN, serialNumber=f515b6d0388158cd58660e58dc11bb1270762f1a0cd468a9f304381a1c3798ba, o=Personal, cn=KAPADIA NEMISH BHARAT, 2.5.4.20=2a7cc1bf0b03e42209282ce58092a5f13433ba1f145c9596e878524c1a2eb194, street=A-302 R N A REGENCY PARK M G ROAD KANDIVALI WEST, email=nemish.kapadia@skparekh.com, st=Maharashtra
Date: 2020.05.22 19:26:18 +05'30'

Nemish Kapadia

Partner

M. No.111929

UDIN : 20111929AAAAABM5840

Place: Mumbai

Date: May 22, 2020

**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**

IRDA Registration No. 141 dated 11th December, 2008

BALANCE SHEET AS AT 31ST MARCH, 2020

(Rs. '000)

Particulars	Schedule	31.03.2020	31.03.2019
Sources of Funds			
Share Capital	5	20,70,000	20,70,000
Share Application Money		-	-
Reserves and Surplus	6	-	35,997
Fair Value Change Account - Shareholders		810	1,231
Fair Value Change Account - Policyholders		2,064	1,556
Borrowings	7	-	-
Total		20,72,874	21,08,784
Application of Funds			
Investments - Shareholders	8	13,11,741	18,19,260
Investments - Policyholders	8A	33,41,217	22,98,581
Loans	9	-	-
Fixed Assets	10		
Gross Block		1,01,597	82,348
Less: Accumulated Depreciation		59,009	62,662
Net Block		42,588	19,686
Deferred Tax Asset (Net)		61,533	27,937
Current Assets			
Cash and Bank Balances	11	1,76,449	75,584
Advances and Other Assets	12	3,01,233	3,06,729
Sub-Total (A)		4,77,682	3,82,313
Current Liabilities	13	27,12,165	17,41,173
Provisions	14	10,34,872	6,97,821
Sub-Total (B)		37,47,036	24,38,994
Net Current Assets (C = A - B)		(32,69,354)	(20,56,681)
Miscellaneous Expenditure	15	-	-
(to the extent not written off or adjusted)			
Debit balance in Profit and Loss Account		5,85,148	-
Total		20,72,874	21,08,784
Significant Accounting Policies & Notes to Accounts	16		

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

As per our Report of even date attached.

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

HENEEL
KAMLESH
PATEL

CA. Heneel K. Patel
Partner
Membership No. 114103

For Sudit K. Parekh & Co. LLP
(Previously Sudit K. Parekh & Co.)
Chartered Accountants
Firm Registration No. 110512W/
W-100378

KAPADIA
NEMISH
BHARAT

CA. Nemish Kapadia
Partner
Membership No. 111929

For and on behalf of the Board of Directors

Akshay
Rajan
Raheja

Akshay Raheja
Chairman
DIN. 00288397

VIJAY
AGGARWAL

Vijay Aggarwal
Director
DIN. 00515412

SWARAJ
KRISHNAN

Swaraj Krishnan
Independent Director
DIN. 02920929

PANKAJ ARORA

Pankaj Arora
Managing Director &
Chief Executive Officer
DIN. 08327428

SHAH JIGAR
ASHWIN

Jigar Shah
Company Secretary
ACS No. A34571

CHANDRAPRAKASH JAIN

Chandraprakash Jain
Chief Financial Officer
PAN. ADJPJ9309D

Mumbai,
Date: 22nd May 2020

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. '000)

Particulars	Schedule	For the year ended 31.03.2020	For the year ended 31.03.2019
1. Operating Profit / (Loss) transferred from Revenue Account			
a. Fire Insurance		5,611	7,880
b. Marine Insurance		298	355
c. Miscellaneous Insurance		(1,13,838)	(1,07,929)
			(1,47,489)
			(1,39,254)
2. Income from Investments			
a) Interest, Dividend & Rent – Gross		84,199	1,17,338
b) Profit on sale/redemption of investments		4,746	4,087
Less: loss on sale of investments		-	-
		88,945	1,21,425
Profit / (Loss) on Sale of Assets		(582)	-
3. Other Income		7	1,616
TOTAL (A)		(19,560)	(16,213)
4. Provisions (other than taxation)			
a) For diminution in the value of investment		1,49,979	49,988
b) For doubtful debts		-	-
c) Others		-	-
		1,49,979	49,988
5. Other Expenses			
a) Expenditure other than those related to Insurance Business	4A	47,261	21,754
b) Bad debts written off		(13)	3,631
c) CSR Expenditure		1,343	-
d) Contribution from Policyholder fund toward excess EOM		4,36,613	1,27,447
TOTAL (B)		6,35,183	2,02,820
Profit/ (Loss) Before Tax		(6,54,742)	(2,19,033)
Provision for Taxation			
Current Tax/MAT payable		-	-
MAT Credit Entitlement		-	-
Excess provision written back		-	-
Deferred Tax (Income)/ Expense		(33,597)	(15,503)
Wealth Tax		-	-
		(33,597)	(15,503)
Net Profit/ (Loss) After Tax		(6,21,145)	(2,03,530)
Appropriations			
a) Interim dividend paid during the year		-	-
b) Proposed final dividend		-	-
c) Dividend distribution tax		-	-
d) Transfer to any reserve or Other Accounts		-	-
e) Transfer to Contingency Reserve for Unexpired Risks		-	-
Add: Balance brought forward from last year		35,997	2,39,527
Balance carried forward to Balance Sheet		(5,85,148)	35,997
Basic & Diluted Earning per Share (Face value per share Rs.10)		(3.00)	(0.98)

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

As per our Report of even date attached.

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W
HENEEL KAMLESH PATEL
 Digitally signed by HENEEL KAMLESH PATEL
 DN: cn=H, o=Personals, postalCode=+000002, st=MAHARASHTRA, serialNumber=+095076cd1765eb23483, 3746230270d46474b4d070444e0142262, c779063c56, cn=HENEEL KAMLESH PATEL
 Date: 2020.05.22 20:52:36 +05'30'

CA. Heneel K. Patel
 Partner
 Membership No. 114103

For Sudit K. Parekh & Co. LLP
 (Previously Sudit K. Parekh & Co.)
Chartered Accountants
Firm Registration No. 110512W/ W-100378
KAPADIA NEMISH BHARAT
 Digitally signed by KAPADIA NEMISH BHARAT
 DN: cn=K, o=Personals, postalCode=+000002, st=MAHARASHTRA, serialNumber=+095076cd1765eb23483, 3746230270d46474b4d070444e0142262, c779063c56, cn=KAPADIA NEMISH BHARAT
 Date: 2020.05.22 20:52:36 +05'30'

CA. Nemish Kapadia
 Partner
 Membership No. 111929

For and on behalf of the Board of Directors
Akshay Rajan Raheja
 Digitally signed by Akshay Rajan Raheja
 DN: cn=A, o=Personals, postalCode=+000002, st=MAHARASHTRA, serialNumber=+095076cd1765eb23483, 3746230270d46474b4d070444e0142262, c779063c56, cn=AKSHAY RAHEJA
 Date: 2020.05.22 14:09:43 +05'30'

Akshay Raheja
 Chairman
 DIN. 00288397

VIJAY AGGARWAL
 Digitally signed by VIJAY AGGARWAL
 DN: cn=V, o=Personals, postalCode=+000002, st=MAHARASHTRA, serialNumber=+095076cd1765eb23483, 3746230270d46474b4d070444e0142262, c779063c56, cn=VIJAY AGGARWAL
 Date: 2020.05.22 13:39:24 +05'30'

Vijay Aggarwal
 Director
 DIN. 00515412

PANKAJ ARORA
 Digitally signed by PANKAJ ARORA
 DN: cn=P, o=Personals, postalCode=+000002, st=MAHARASHTRA, serialNumber=+095076cd1765eb23483, 3746230270d46474b4d070444e0142262, c779063c56, cn=PAKKAJ ARORA
 Date: 2020.05.22 14:09:43 +05'30'

Pankaj Arora
 Managing Director &
 Chief Executive Officer
 DIN. 08327428

SWARAJ KRISHNAN
 Digitally signed by SWARAJ KRISHNAN
 DN: cn=S, o=Personals, postalCode=+000002, st=MAHARASHTRA, serialNumber=+095076cd1765eb23483, 3746230270d46474b4d070444e0142262, c779063c56, cn=SWARAJ KRISHNAN
 Date: 2020.05.22 13:39:24 +05'30'

Swaraj Krishnan
 Independent Director
 DIN. 02920929

SHAH JIGAR ASHWIN
 Digitally signed by SHAH JIGAR ASHWIN
 DN: cn=J, o=Personals, postalCode=+000002, st=MAHARASHTRA, serialNumber=+095076cd1765eb23483, 3746230270d46474b4d070444e0142262, c779063c56, cn=SHAH JIGAR ASHWIN
 Date: 2020.05.22 13:39:24 +05'30'

Jigar Shah
 Company Secretary
 ACS No.A34571

CHANDRAPRAKASH JAIN
 Digitally signed by CHANDRAPRAKASH JAIN
 DN: cn=C, o=Personals, postalCode=+000002, st=MAHARASHTRA, serialNumber=+095076cd1765eb23483, 3746230270d46474b4d070444e0142262, c779063c56, cn=CHANDRAPRAKASH JAIN
 Date: 2020.05.22 14:48:38 +05'30'

Chandraprakash Jain
 Chief Financial Officer
 PAN. ADJPJ9309D

 Mumbai,
 Date: 22nd May 2020

**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**

IRDA Registration No. 141 dated 11th December, 2008

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs '000)

For the year ended 31.03.2020						For the year ended 31.03.2019			
Particulars	Schedule	Fire	Marine	Miscellaneous	Total	Fire	Marine	Miscellaneous	Total
Premiums earned (Net)	1	8,695	264	11,34,062	11,43,021	4,881	559	8,90,225	8,95,665
Profit / Loss on sale/redemption of Investments		311	1	11,776	12,088	112	3	5,049	5,164
Others - Foreign Exchange Gain / (Loss)		-	-	199	199	-	-	(124)	(124)
Others - Investment / Other Income from Terrorism Pool		2,718	-	314	3,032	1,642	-	450	2,092
Interest, Dividend & Rent – Gross		5,526	17	2,08,925	2,14,468	3,215	95	1,44,943	1,48,253
Contribution from Shareholder fund toward excess EOM		-	42	4,36,571	4,36,613	-	68	1,27,379	1,27,447
TOTAL (A)		17,250	325	17,91,846	18,09,421	9,849	725	11,67,922	11,78,497
Claims Incurred (Net)	2	3,217	(53)	8,56,250	8,59,414	225	79	7,47,541	7,47,845
Commission (Net)	3	396	(12)	1,10,346	1,10,730	(539)	35	75,097	74,593
Operating Expenses related to Insurance Business	4	8,026	92	9,39,991	9,48,109	2,284	256	4,92,412	4,94,952
Premium Deficiency Reserve		-	-	(903)	(903)	-	-	361	361
TOTAL (B)		11,639	27	19,05,684	19,17,350	1,970	370	13,15,411	13,17,751
Operating Profit/(Loss) from Fire/ Marine/ Miscellaneous Business C = (A - B)		5,611	298	(1,13,838)	(1,07,929)	7,880	355	(1,47,489)	(1,39,254)
Appropriations									
Transfer to Shareholder's Account		-	-	-	-	-	-	-	-
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-	-
TOTAL (C)		5,611	298	(1,13,838)	(1,07,929)	7,880	355	(1,47,489)	(1,39,254)

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

As per our Report of even date attached.

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

**HENEEL
KAMLESH
PATEL**

Digitally signed by HENEEL KAMLESH PATEL
DN: c=IN, o=Personal, postalCode=+050021,
ou=NAHARASHETRA,
serialNumber=+0505076d81765ab23d
83924692027d4e474d4a071444a14
224277908156, cn=HENEEL
KAMLESH PATEL
Date: 2020.05.22 20:53:34 +05'30'

CA. Heneel K. Patel
Partner
Membership No. 114103

For Sudit K. Parekh & Co. LLP
(Previously Sudit K. Parekh & Co.)
Chartered Accountants

**Firm Registration No. 110512W/
W-100378
KAPADIA
NEMISH
BHARAT**

Digitally signed by NEMISH BHARAT
DN: cn=Nemish, o=Personal,
postalCode=+050021,
ou=NAHARASHETRA,
serialNumber=+0505076d81765ab23d
83924692027d4e474d4a071444a14
224277908156, cn=NEMISH
BHARAT
Date: 2020.05.22 19:48:11 +05'30'

CA. Nemish Kapadia
Partner
Membership No. 111929

For and on behalf of the Board of Directors

**Akshay
Rajan
Raheja**

Digitally signed by Akshay Rajan Raheja
DN: cn=Akshay Rajan Raheja, o=Personal,
postalCode=+050021,
ou=NAHARASHETRA,
serialNumber=+0505076d81765ab23d
83924692027d4e474d4a071444a14
224277908156, cn=AKSHAY
RAJAN RAHEJA
Date: 2020.05.22 13:40:21 +05'30'

Akshay Raheja
Chairman
DIN. 00288397

**VUJAY
AGGARWAL**

Digitally signed by VUJAY AGGARWAL
DN: cn=Vijay Aggarwal, o=Personal,
postalCode=+050021,
ou=NAHARASHETRA,
serialNumber=+0505076d81765ab23d
83924692027d4e474d4a071444a14
224277908156, cn=VUJAY
AGGARWAL
Date: 2020.05.22 13:40:21 +05'30'

Vijay Aggarwal
Director
DIN. 00515412

PANKAJ ARORA

Digitally signed by PANKAJ ARORA
DN: cn=Pankaj Arora, o=Personal,
postalCode=+050021,
ou=NAHARASHETRA,
serialNumber=+0505076d81765ab23d
83924692027d4e474d4a071444a14
224277908156, cn=PANKAJ
ARORA
Date: 2020.05.22 14:04:06 +05'30'

Pankaj Arora
Managing Director &
Chief Executive Officer
DIN. 08327428

**SWARAJ
KRISHNAN**

Digitally signed by SWARAJ KRISHNAN
DN: cn=Swaraj Krishnan, o=Personal,
postalCode=+050021,
ou=NAHARASHETRA,
serialNumber=+0505076d81765ab23d
83924692027d4e474d4a071444a14
224277908156, cn=SWARAJ
KRISHNAN
Date: 2020.05.22 14:40:37 +05'30'

Swaraj Krishnan
Independent Director
DIN. 02920929

**SHAH JIGAR
ASHWIN**

Digitally signed by SHAH JIGAR ASHWIN
DN: cn=Jigar Shah, o=Personal,
postalCode=+050021,
ou=NAHARASHETRA,
serialNumber=+0505076d81765ab23d
83924692027d4e474d4a071444a14
224277908156, cn=SHAH
JIGAR ASHWIN
Date: 2020.05.22 13:40:21 +05'30'

Jigar Shah
Company Secretary
ACS No.A34571

**CHANDRAPRAKASH
H JAIN**

Digitally signed by CHANDRAPRAKASH H JAIN
DN: cn=Chandraprakash Jain, o=Personal,
postalCode=+050021,
ou=NAHARASHETRA,
serialNumber=+0505076d81765ab23d
83924692027d4e474d4a071444a14
224277908156, cn=CHANDRAPRAKASH
H JAIN
Date: 2020.05.22 14:40:37 +05'30'

Chandraprakash Jain
Chief Financial Officer
PAN. ADJPI9309D

Mumbai,
Date: 22nd May 2020



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Schedule- 1

Premium Earned (Net)

(Rs '000)

Particulars	Year	Premium from direct business written	Premium on rein-surance accepted	Premium on reinsurance ceded	Net Premium	Adjustment for change in reserve for unexpired risks	Net Premium Earned
1	2	3	4	5	6	7	8
Fire	2019-20	36,511	9,863	34,214	12,160	3,465	8,695
	2018-19	24,189	3,922	23,070	5,042	161	4,881
Marine Cargo	2019-20	143	-	3	140	(124)	264
	2018-19	834	-	268	565	7	559
Marine Hull	2019-20	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-
Marine Total	2019-20	143	-	3	140	(124)	264
	2018-19	834	-	268	565	7	559
Motor (OD)	2019-20	81,099	-	5,268	75,830	65,597	10,233
	2018-19	2,811	-	183	2,627	287	2,340
Motor (TP)	2019-20	9,56,416	-	72,362	8,84,053	1,46,702	7,37,351
	2018-19	7,66,763	-	55,505	7,11,258	1,23,297	5,87,961
Employer's Liability	2019-20	18,820	(15)	5,076	13,729	2,217	11,512
	2018-19	12,842	15	2,690	10,166	2,035	8,132
Public Liability	2019-20	61,118	29,692	24,097	66,714	15,400	51,314
	2018-19	45,671	8,957	14,777	39,851	(3,030)	42,881
Other Liability	2019-20	3,82,430	1,78,498	1,91,660	3,69,267	51,752	3,17,515
	2018-19	2,70,893	1,23,352	1,19,099	2,75,145	32,338	2,42,807
Engineering	2019-20	8,947	489	6,834	2,602	279	2,324
	2018-19	6,514	505	4,368	2,650	234	2,416
Aviation	2019-20	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-
Personal Accident	2019-20	2,812	-	2,237	576	(11)	587
	2018-19	3,218	-	2,581	637	203	434
Health	2019-20	6,164	-	308	5,856	3,599	2,256
	2018-19	992	-	50	942	115	827
Other Misc.	2019-20	26,757	-	25,239	1,518	550	968
	2018-19	24,917	-	22,667	2,250	(178)	2,429
Misc Total	2019-20	15,44,563	2,08,664	3,33,081	14,20,146	2,86,084	11,34,062
	2018-19	11,34,619	1,32,828	2,21,921	10,45,527	1,55,302	8,90,225
Total	2019-20	15,81,216	2,18,527	3,67,297	14,32,446	2,89,425	11,43,021
	2018-19	11,59,642	1,36,750	2,45,259	10,51,134	1,55,470	8,95,665



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Schedule – 2

Claims Incurred (Net)

(Rs '000)

Particulars	Year	Claims Paid from direct business written	Claims Paid on rein-surance accepted	Claims Recovered on rein-surance ceded	Net Claims Paid	Out-standing Claims at the closing of the year	Out-standing Claims at the beginning of the year	Net Claims Incurred
1	2	3	4	5	6	7	8	9
Fire	2019-20	3,188	3	2,438	753	5,216	2,751	3,217
	2018-19	4,640	103	3,538	1,205	2,751	3,732	225
Marine Cargo	2019-20	-	-	-	-	168	221	(53)
	2018-19	-	-	-	-	221	143	79
Marine Hull	2019-20	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-
Marine Total	2019-20	-	-	-	-	168	221	(53)
	2018-19	-	-	-	-	221	143	79
Motor (OD)	2019-20	4,220	-	211	4,009	7,804	2,796	9,017
	2018-19	1,416	-	71	1,345	2,796	849	3,292
Motor (TP)	2019-20	98,270	-	4,917	93,353	17,61,113	10,86,772	7,67,695
	2018-19	60,571	-	3,030	57,541	10,86,772	5,42,900	6,01,413
Employer's Liability	2019-20	292	-	15	278	18,241	12,860	5,659
	2018-19	109	-	5	104	12,860	4,135	8,829
Public Liability	2019-20	2,893	65	150	2,807	50,692	48,065	5,434
	2018-19	571	5,094	453	5,212	48,065	42,813	10,465
Other Liability	2019-20	50,858	2,238	2,713	50,383	3,43,772	3,29,722	64,433
	2018-19	13,856	764	728	13,892	3,29,722	2,20,577	1,23,037
Engineering	2019-20	429	3	327	105	870	927	48
	2018-19	-	21	-	21	927	873	76
Aviation	2019-20	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-
Personal Accident	2019-20	544	2	414	131	1,335	686	780
	2018-19	101	31	58	74	686	715	45
Health	2019-20	553	-	28	526	2,252	1,139	1,639
	2018-19	18	-	1	17	1,139	787	369
Other Misc.	2019-20	291	-	234	56	3,905	2,415	1,546
	2018-19	269	-	205	64	2,415	2,463	16
Misc Total	2019-20	1,58,350	2,308	9,009	1,51,649	21,89,984	14,85,382	8,56,250
	2018-19	76,910	5,910	4,550	78,270	14,85,382	8,16,112	7,47,541
Total	2019-20	1,61,537	2,311	11,447	1,52,401	21,95,367	14,88,355	8,59,414
	2018-19	81,550	6,013	8,088	79,475	14,88,355	8,19,986	7,47,845



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Schedule – 3

Commission (Net)

(Rs '000)

Particulars	Year	Commission paid on direct business	Total (A)	Commission paid on reinsurance accepted	Commission received from reinsurance ceded	Net commission
1	2	3	4	5	6	7
Fire	2019-20	4,844	4,844	827	5,275	396
	2018-19	3,133	3,133	486	4,157	(539)
						-
Marine Cargo	2019-20	(11)	(11)	-	1	(12)
	2018-19	41	41	-	6	35
Marine Hull	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	-
Marine Total	2019-20	(11)	(11)	-	1	(12)
	2018-19	41	41	-	6	35
Motor (OD)	2019-20	9,338	9,338	-	608	8,730
	2018-19	269	269	-	21	248
Motor (TP)	2019-20	12,004	12,004	-	2,406	9,597
	2018-19	12,050	12,050	-	5,751	6,299
Employer's Liability	2019-20	2,502	2,502	-	141	2,360
	2018-19	1,964	1,964	-	96	1,867
Public Liability	2019-20	9,233	9,233	5,594	650	14,177
	2018-19	6,793	6,793	1,437	502	7,728
Other Liability	2019-20	57,996	57,996	35,850	17,737	76,109
	2018-19	42,531	42,531	25,290	8,434	59,386
Engineering	2019-20	1,112	1,112	9	1,061	59
	2018-19	962	962	32	643	351
Aviation	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	-
Personal Accident	2019-20	42	42	-	362	(320)
	2018-19	145	145	-	406	(261)
Health	2019-20	778	778	-	46	733
	2018-19	57	57	-	7	50
Other Misc.	2019-20	3,400	3,400	-	4,500	(1,100)
	2018-19	3,705	3,705	-	4,278	(572)
Misc Total	2019-20	96,406	96,406	41,452	27,512	1,10,346
	2018-19	68,476	68,476	26,759	20,138	75,097
Total	2019-20	1,01,238	1,01,238	42,279	32,788	1,10,730
	2018-19	71,650	71,650	27,244	24,302	74,593

Note: Includes rewards



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Schedule – 3A

Commission Paid - Direct

(Rs '000)

Particulars	Year	Agents	Brokers	Corporate Agency	Referral	Others	Total (B)
1	2	3	4	5	6	7	8
Fire	2019-20	5	4,839	-	-	-	4,844
	2018-19	3	3,130	-	-	-	3,133
Marine Cargo	2019-20	-	(11)	-	-	-	(11)
	2018-19	-	41	-	-	-	41
Marine Hull	2019-20	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-
Marine Total	2019-20	-	(11)	-	-	-	(11)
	2018-19	-	41	-	-	-	41
Motor (OD)	2019-20	3,599	5,475	-	-	265	9,338
	2018-19	113	156	-	-	-	269
Motor (TP)	2019-20	2,976	9,001	-	-	27	12,004
	2018-19	7,375	4,676	-	-	-	12,050
Employer's Liability	2019-20	6	2,496	-	-	-	2,502
	2018-19	-	1,964	-	-	-	1,964
Public Liability	2019-20	6	9,227	-	-	-	9,233
	2018-19	7	6,786	-	-	-	6,793
Other Liability	2019-20	331	57,665	-	-	-	57,996
	2018-19	384	42,147	-	-	-	42,531
Engineering	2019-20	0	1,111	-	-	-	1,112
	2018-19	1	961	-	-	-	962
Aviation	2019-20	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-
Personal Accident	2019-20	-	42	-	-	-	42
	2018-19	-	145	-	-	-	145
Health	2019-20	(3)	781	-	-	-	778
	2018-19	22	35	-	-	-	57
Other Misc.	2019-20	5	3,395	-	-	-	3,400
	2018-19	1	3,704	-	-	-	3,705
Misc Total	2019-20	6,919	89,194	-	-	293	96,406
	2018-19	7,903	60,573	-	-	-	68,476
Total	2019-20	6,924	94,022	-	-	293	1,01,238
	2018-19	7,905	63,745	-	-	-	71,650

Note: Includes rewards



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

(Rs '000)

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020								
	2019-20				2018-19			
Schedule - 4	Fire	Marine	Miscellaneous*	Total	Fire	Marine	Miscellaneous *	Total
Expenditure related to Insurance Business								
Employees' remuneration & welfare benefits	2,239	26	2,61,458	2,63,722	627	70	1,30,044	1,30,741
Travel, conveyance and vehicle running expenses	77	1	8,994	9,072	34	4	7,016	7,054
Training Expenses	-	-	-	-	0	0	52	53
Rents, rates & taxes	101	1	11,824	11,927	77	9	16,021	16,107
Repairs	125	1	14,623	14,750	64	7	13,310	13,382
Printing & Stationery	14	0	1,608	1,622	4	0	786	790
Communication Expenses	63	1	7,337	7,400	18	2	3,732	3,752
Legal & professional charges	272	3	33,560	33,836	134	15	45,743	45,892
Auditor's fees, expenses etc.								-
a) As auditor	9	0	1,091	1,100	4	0	776	780
b) As adviser or in any other capacity, in respect of								-
i) Taxation matters	1	0	164	165	1	0	283	285
ii) Insurance matters	1	0	89	90	0	0	86	86
iii) Management Services and	-	-	-	-	-	-	-	-
c) in any other capacity	1	0	156	157	0	0	30	30
Advertisement and Publicity	4,739	55	5,53,472	5,58,266	1,062	119	2,20,174	2,21,355
Interest and Bank Charges	50	1	5,830	5,881	23	3	4,772	4,797
Others								-
a) Office maintenance expenses	70	1	8,193	8,264	40	4	8,267	8,311
b) Subscriptions and membership fees	15	0	1,745	1,760	14	2	2,859	2,874
c) Miscellaneous expenses	10	0	1,175	1,185	4	0	888	893
d) Entertainment Expenses	28	0	3,258	3,286	7	1	1,370	1,377
e) Service Tax/GST A/c	0	0	45	45	13	1	2,651	2,666
f) Conference & Seminar	1	0	146	148	104	12	21,492	21,607
g) Interest & Penalties	89	1	10,389	10,479	1	0	111	112
h) Motor Solatium Fund	-	-	956	956	-	-	767	767
Depreciation	119	1	13,879	13,999	54	6	11,182	11,242
TOTAL	8,026	92	9,39,991	9,48,109	2,284	256	4,92,412	4,94,952

Note: The above expenses are allocated based on net premium of each segment



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs '000)

Schedule - 4A	2019-20	2018-19
Expenditure other than those related to Insurance Business		
Employees' remuneration & welfare benefits	44,519	19,983
Travel, conveyance and vehicle running expenses	-	-
Training Expenses	-	-
Rents, rates & taxes	-	-
Repairs	-	-
Printing & Stationery	-	-
Communication	-	-
Legal & professional charges	2,075	1,180
Auditor's 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	-	-
Advertisement and Publicity	-	-
Interest and Bank Charges	667	591
Others		
a) Office maintenance expenses	-	-
b) Subscriptions and membership fees	-	-
c) Miscellaneous expenses	-	-
d) Entertainment Expenses	-	-
e) Service Tax/GST A/c	-	-
f) Conference & Seminar	-	-
g) Interest & Penalties	-	-
h) Motor Solatium Fund	-	-
Depreciation	-	-
TOTAL	47,261	21,754

(Rs '000)

* Miscellaneous	2019-20											2018-19										
	Motor (OD)	Motor (TP)	Employer's Liability	Public Liability	Other Liability	Engineering	Aviation	Personal Accident	Health	Other Misc.	Total	Motor (OD)	Motor (TP)	Employer's Liability	Public Liability	Other Liability	Engineering	Aviation	Personal Accident	Health	Other Misc.	Total
Employees' remuneration & welfare benefits	13,961	1,62,760	2,528	12,282	67,984	479	-	106	1,078	280	2,61,458	327	88,467	1,264	4,957	34,223	330	-	79	117	280	1,30,044
Travel, conveyance and vehicle running expenses	480	5,599	87	423	2,339	16	-	4	37	10	8,994	18	4,773	68	267	1,846	18	-	4	6	15	7,016
Training Expenses	-	-	-	-	-	-	-	-	-	-	-	0	36	1	2	14	0	-	0	0	0	52
Rents, rates & taxes	631	7,361	114	555	3,075	22	-	5	49	13	11,824	40	10,899	156	611	4,216	41	-	10	14	34	16,021
Repairs	781	9,103	141	687	3,802	27	-	6	60	16	14,623	33	9,055	129	507	3,503	34	-	8	12	29	13,310
Printing & Stationery	86	1,001	16	76	418	3	-	1	7	2	1,608	2	535	8	30	207	2	-	0	1	2	786
Communication Expenses	392	4,567	71	345	1,908	13	-	3	30	8	7,337	9	2,539	36	142	982	9	-	2	3	8	3,732
Legal & professional charges	1,699	21,552	308	1,494	8,271	58	-	13	131	34	33,560	70	36,890	269	1,055	7,287	70	-	17	25	60	45,743
Auditor's fees, expenses etc.																						
a) As auditor	58	679	11	51	284	2	-	0	4	1	1,091	2	528	8	30	204	2	-	0	1	2	776
b) As adviser or in any other capacity, in respect of																						
i) Taxation matters	9	102	2	8	43	0	-	0	1	0	164	1	193	3	11	75	1	-	0	0	1	283
ii) Insurance matters	5	56	1	4	23	0	-	0	0	0	89	0	58	1	3	23	0	-	0	0	0	86
iii) Management Services and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) in any other capacity	8	97	-	7	40	0	-	0	1	0	156	0	20	-	1	8	0	-	0	0	-	30
Advertisement and Publicity	29,553	3,44,541	5,350	26,000	1,43,914	1,014	-	224	2,282	592	5,53,472	553	1,49,781	2,141	8,392	57,942	558	-	134	198	474	2,20,174
Interest and Bank Charges	311	3,629	-	274	1,516	11	-	2	24	6	5,830	12	3,246	-	182	1,256	12	-	3	4	10	4,772
Others																						
a) Office maintenance expenses	437	5,100	79	385	2,130	15	-	3	34	9	8,193	21	5,624	80	315	2,176	21	-	5	7	18	8,267
b) Subscriptions and membership fees	93	1,086	17	82	454	3	-	1	7	2	1,745	7	1,945	28	109	752	7	-	2	3	6	2,859
c) Miscellaneous expenses	63	731	11	55	305	2	-	0	5	1	1,175	2	604	9	34	234	2	-	1	1	2	888
d) Entertainment Expenses	174	2,028	31	153	847	6	-	1	13	3	3,258	3	932	13	52	360	3	-	1	1	3	1,370
e) Service Tax/GST A/c	2	28	0	2	12	0	-	0	0	0	45	7	1,804	26	101	698	7	-	2	2	6	2,651
f) Conference & Seminar	8	91	1	7	38	0	-	0	1	0	146	54	14,621	209	819	5,656	54	-	13	19	46	21,492
g) Interest & Penalties	555	6,467	100	488	2,701	19	-	4	43	11	10,389	0	76	1	4	29	0	-	0	0	0	111
h) Motor Solatium Fund	-	956	-	-	-	-	-	-	-	-	956	-	767	-	-	-	-	-	-	-	-	767
Depreciation	741	8,640	134	652	3,609	25	-	6	57	15	13,879	28	7,607	109	426	2,943	28	-	7	10	24	11,182
TOTAL	50,047	5,86,174	9,061	44,030	2,43,713	1,718	-	380	3,865	1,002	9,39,991	1,190	3,40,998	4,605	18,051	1,24,632	1,200	-	288	427	1,019	4,92,412

PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 1-Apr-19	Additions	Deductions	As at 31-Mar-20	Up to 1-Apr-19	For the year	Deductions	Up to 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles - Computer Software	25,771	3,964	-	29,735	16,231	6,250	-	22,481	7,253	9,539
Land - Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	11,753	11,736	11,753	11,736	11,384	1,344	11,487	1,241	10,494	369
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	4,013	4,570	4,013	4,570	3,772	254	3,793	232	4,337	241
Information Technology Equipment	35,071	8,134	123	43,082	26,569	5,490	104	31,956	11,126	8,502
Vehicles	2,674	-	-	2,674	2,073	536	-	2,609	66	601
Office Equipment	3,066	293	2,391	968	2,633	125	2,269	489	478	432
Others	-	-	-	-	-	-	-	-	-	-
TOTAL	82,348	28,697	18,280	92,764	62,662	13,999	17,653	59,009	33,755	19,686
WORK - IN - PROGRESS	0	22,718	13,885	8,833	-	-	-	-	8,833	-
GRAND TOTAL	82,348	51,415	32,166	1,01,597	62,662	13,999	17,653	59,009	42,588	19,686
Previous Year	75,795	14,803	8,249	82,348	51,420	11,242	-	62,662	19,686	24,375



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs '000)

Schedule - 5	As at 31.03.2020	As at 31.03.2019
Share Capital		
Authorised Capital		
22,00,00,000 (Previous year 22,00,00,000) Equity Shares of Rs10 each	22,00,000	22,00,000
Issued Capital		
20,70,00,000 (Previous year 20,70,00,000) Equity Shares of Rs10 each fully paid up	20,70,000	20,70,000
Subscribed Capital		
20,70,00,000 (Previous year 20,70,00,000) Equity Shares of Rs10 each fully paid up	20,70,000	20,70,000
Called up Capital		
20,70,00,000 (Previous year 20,70,00,000) Equity Shares of Rs10 each fully paid up	20,70,000	20,70,000
Less: Calls unpaid	-	-
Add: Equity shares forfeited (amount originally paid up)	-	-
Less: Par value of Equity Shares bought back	-	-
Less: Preliminary expenses to the extent not written off	-	-
Less: Expense including commission or brokerage on underwriting or subscription of Shares	-	-
Total	20,70,000	20,70,000



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Schedule - 5A	As at 31.03.2020		As at 31.03.2019	
Pattern of Share Holding (As certified by the Management)				
Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters				
-Indian	10,55,70,000	51%	10,55,70,000	51%
-Foreign	10,14,30,000	49%	10,14,30,000	49%
Others	-		-	
Total	20,70,00,000	100%	20,70,00,000	100%

Note:

Of the above 10,55,70,000 (Previous year 10,55,70,000) shares are held by the holding company Prism Johnson Limited (formally Prism Cement Ltd and name changed effective 18th April,2018)

(Rs '000)

Schedule - 6	As at 31.03.2020		As at 31.03.2019
Reserves and Surplus			
Capital Reserve		-	-
Capital Redemption Reserve		-	-
Share Premium		-	-
General Reserve		-	-
Less: Debit balance in Profit & Loss Account		-	-
Less: Amount utilized for Buy-back		-	-
Catastrophe Reserve		-	-
Other Reserves		-	-
Balance of Profit and Loss Account		-	35,997
Total		-	35,997

(Rs '000)

Schedule - 7	As at 31.03.2020		As at 31.03.2019
Borrowings			
Debentures /Bonds		-	-
Banks		-	-
Financial Institutions		-	-
Others		-	-
Total		-	-



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. '000)

Schedule - 8	As at 31.03.2020		As at 31.03.2019
Investments - Shareholders			
Long Term Investments			
Government securities and Government guaranteed bonds including Treasury Bills	3,50,665		5,61,691
Other Approved Securities	-		-
Other Investments	-		-
a) Shares	-		-
aa) Equity	-		-
bb) Preference	-		-
b) Mutual Funds	-		-
c) Derivative Instruments	-		-
d) Debentures/ Bonds	2,84,893		3,12,535
e) Other Securities	-		-
i) Fixed Deposits	-		-
II) Certificate of Deposits	-		-
f) Subsidiaries	-		-
g) Investment Properties - Real Estate	-		-
Investments in Infrastructure and Social Sector	1,99,387		3,81,261
Other than Approved Investments	-		66,254
Total (A)		8,34,945	13,21,741
Short Term Investments			
Government securities and Government guaranteed bonds including Treasury Bills	2,25,996		66,013
Other Approved Securities	-		-
Other Investments	-		-
a) Shares	-		-
aa) Equity	-		-
bb) Preference	-		-
b) Mutual Funds	51,355		1,31,135
c) Derivative Instruments	-		-
d) Debentures/ Bonds	98,744		2,20,949
e) Other Securities	-		-
i) Fixed Deposits	58,220		13,342
II) Certificate of Deposits	-		-
f) Subsidiaries	-		-
g) Investment Properties - Real Estate	-		-
Investments in Infrastructure and Social Sector	42,481		66,080
Other than Approved Investments	-		-
Total (B)		4,76,796	4,97,519
Total (A+B)		13,11,741	18,19,260



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. '000)

Schedule - 8A	As at 31.03.2020		As at 31.03.2019
Investments - Policyholders			
Long Term Investments			
Government securities and Government guaranteed bonds including Treasury Bills	8,93,200		7,09,680
Other Approved Securities	-		-
Other Investments	-		-
a) Shares	-		-
aa) Equity	-		-
bb) Preference	-		-
b) Mutual Funds	-		-
c) Derivative Instruments	-		-
d) Debentures/ Bonds	7,25,669		3,94,879
e) Other Securities	-		-
i) Fixed Deposits	-		-
II) Certificate of Deposits	-		-
f) Subsidiaries	-		-
g) Investment Properties - Real Estate	-		-
Investments in Infrastructure and Social Sector	5,07,872		4,81,712
Other than Approved Investments	-		83,710
Total (A)		21,26,741	16,69,981
Short Term Investments			
Government securities and Government guaranteed bonds including Treasury Bills	5,75,649		83,406
Other Approved Securities	-		-
Other Investments	-		-
a) Shares	-		-
aa) Equity	-		-
bb) Preference	-		-
b) Mutual Funds	1,30,810		1,65,685
c) Derivative Instruments	-		-
d) Debentures/ Bonds	2,51,517		2,79,162
e) Other Securities	-		-
i) Fixed Deposits	1,48,295		16,858
II) Certificate of Deposits	-		-
f) Subsidiaries	-		-
g) Investment Properties - Real Estate	-		-
Investments in Infrastructure and Social Sector	1,08,205		83,491
Other than Approved Investments	-		-
Total (B)		12,14,476	6,28,601
Total (A+B)		33,41,217	22,98,581

Notes:

1. Aggregate book value of investments other than listed equity shares is Rs. 46,52,957 thousands. (Previous year Rs.41,17,842 thousands)
2. Aggregate market value of investments other than listed equity shares is Rs. 47,34,027 thousands. (Previous year Rs. 41,41,355 thousands)
3. Investments of Rs. 16,91,272 thousands (previous year Rs. 11,26,120 thousands) maturing within 12 months from the Balance Sheet date and investments made with the specific intention to dispose of within 12 months from the date of the Balance Sheet are classified as short term Investments.



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. '000)

Schedule - 9	As at 31.03.2020		As at 31.03.2019
Loans			
Security-wise classification			
Secured			
a) On mortgage of property			
aa) In India		-	-
bb) Outside India		-	-
b) On Shares, Bonds, Government Securities		-	-
c) Others		-	-
Unsecured			-
Total		-	-
Borrower-wise classification			
a) Central and State Government		-	-
b) Banks and Financial Institutions		-	-
c) Subsidiaries		-	-
d) Industrial Undertakings		-	-
e) Others		-	-
Total		-	-
Performance wise classification			
a) Loans classified as standard			
aa) In India		-	-
bb) Outside India		-	-
b) Non-performing loans less provisions			
aa) In India		-	-
bb) Outside India		-	-
Total		-	-
Maturity wise classification			
a) Short Term		-	-
b) Long Term		-	-
Total		-	-

(Rs. '000)

Schedule - 11	As at 31.03.2020		As at 31.03.2019
Cash and Bank Balances			
Cash (including cheques, drafts and stamps)		7	28
Bank Balances			
a) Deposit Accounts			
aa) Short Term (due with in 12 months)		-	-
bb) Others		-	-
b) Current Accounts		1,76,442	75,556
c) Others			
Money at Call and Short Notice			
a) with Banks		-	-
b) with other Institutions		-	-
Others			
Total		1,76,449	75,584
Balances with non scheduled banks included in above		-	-



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. '000)

Schedule - 12	As at 31.03.2020		As at 31.03.2019
Advances and Other Assets			
Advances			
Reserve deposits with ceding companies	-		-
Application Money for investments	-		-
Prepayments	7,320		6,700
Advance to Directors/Officers	-		-
Advance tax paid and taxes deducted at source (Net of provision for taxation)	8,860		9,057
MAT Credit Entitlement	-		-
Others			
a) Service Tax / GST Unutilized Credit	52,816		53,660
b) Advance to employees	480		-
c) Other Advances	0		0
Total (A)		69,476	69,417
Other Assets			
Income accrued on investments	1,35,157		1,33,239
Outstanding Premiums	-		-
Agent's balances	-		-
Foreign agencies balances	-		-
Due from other entities carrying on insurance business (including reinsurers)	87,104		85,048
Due from Subsidiaries/holding	-		-
Deposit with Reserve Bank of India pursuant to section 7 of Insurance Act, 1938	-		-
Others - Rental Deposits	9,066		18,480
Other Deposits	430		545
Total (B)		2,31,757	2,37,312
Total (A+B)		3,01,233	3,06,729

(Rs. '000)

Schedule - 13	As at 31.03.2020		As at 31.03.2019
Current Liabilities			
Agents' Balances		82,602	10,290
Balances due to other insurance companies		1,81,950	1,37,274
Deposits held on re-insurance ceded		-	-
Premium received in Advance		5,435	9,575
Unallocated Premium		6,217	6,006
Sundry creditors		1,79,468	44,536
Due to subsidiaries/holding company		-	-
Claims Outstanding		21,95,367	14,88,355
Due to Officers/Directors		-	-
Dues to Policyholders		-	-
Unclaimed amount of Policyholders		11,596	5,242
Others			
-Service Tax / GST Liability	39,764	-	32,851
-TDS payable	9,766	49,530	7,044
Total		27,12,165	17,41,173

(Rs. '000)

Schedule - 14	As at 31.03.2020		As at 31.03.2019
Provisions			
Reserve for Unexpired Risk		9,40,652	6,51,227
Reserve for Premium Deficiency		-	903
For taxation (less advance tax paid and taxes deducted at source)		-	-
For Proposed Dividend		-	-
For Dividend distributions tax		-	-
Others - Provision for Employee Benefits		94,220	45,691
Total		10,34,872	6,97,821

(Rs. '000)

Schedule - 15	As at 31.03.2020		As at 31.03.2019
Miscellaneous Expenditure (To the extent not written off or adjusted)			
Discount allowed in issue of shares/ debentures		-	-
Others		-	-
Total		-	-

Balance Sheet Abstract and Company's general business profile for the year ended 31st March, 2020

I. Registration Details	State Code : 11	
Registration No.	U66030MH2007PLC173129	
Balance Sheet Date	Date	Month
	31	3
	2020	
II. Capital raised during the period (Amounts in Rs. thousands)		
Public Issue	Nil	Rights Issue
Bonus Issue	Nil	Private Placement
		Nil
III. Position of Mobilisation and Deployment of Funds (Amounts in Rs. thousands)		
Total Liabilities	14,87,725	Total Assets
		14,87,725
Sources of Funds		Reserves & Surplus
Paid-up Capital	20,70,000	
Loans	Nil	Deferred Tax Liability
		Nil
Application of Funds		Investments
Net Fixed Assets	42,588	
Net Current Assets & Deferred Tax	(32,07,820)	Miscellaneous Expenditure
		-
IV. Performance of Company (Amount in Rs. thousands)		
Total Revenue	21,18,283	Total Expenditure
		27,73,025
Profit/Loss before Tax (tick appropriate box + for Profit, - for Loss)	+ (6,54,742)	Profit/(Loss) after Tax
		+ (6,21,145)
Earning Per Share in Rs.	+ (3.00)	Dividend rate %
		Nil
V. Generic Name of the principal products/services of company		
Item Code No. (ITC Code)	-	
Product description	General Insurance	

Note : The Company being an insurance Company, the accounts of the Company are not required to be made in accordance with Schedule III. Further, the Insurance Act, 1938 requires the financial statement of the Company to be split in Revenue Accounts and Profit and Loss Account. In view of this, it is not possible to give all the information as required by Part IV of this schedule.

For and on behalf of the Board of Directors
**Akshay
Rajan Raheja**
Akshay Raheja
Chairman
DIN. 00288397

**VIJAY
AGGARWAL**
Vijay Aggarwal
Director
DIN. 00515412

**SWARAJ
KRISHNAN**
Swaraj Krishnan
Independent Director
DIN. 02920929

PANKAJ ARORA
Pankaj Arora
Managing Director &
Chief Executive Officer
DIN. 08327428

**SHAH JIGAR
ASHWIN**
Jigar Shah
Company Secretary
ACS No.A34571

**CHANDRAPRAKASH
JAIN**
Chandraprakash Jain
Chief Financial Officer
PAN. ADJPJ9309D

Mumbai,
Date: 22nd May 2020



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs.'000)

Particulars	YEAR ENDED 31ST MARCH, 2020	YEAR ENDED 31ST MARCH, 2019
Cash flows from operating activities		
Premium received including advance premium & Service tax net of refund	18,48,493	13,13,459
Payment to Reinsurers / Coinsurers net of claims & commissions	(2,84,262)	(1,59,939)
Receipt from Reinsurers / coinsurers net of claims recovery	2,42,881	1,52,392
Claims paid	(1,55,239)	(80,261)
Commission & Rewards paid	(91,199)	(63,270)
Payment of Other Operating Expenses	(9,47,538)	(6,06,291)
Service Tax / GST paid	(1,08,115)	(1,22,434)
Income tax paid	-	-
Other Receipt/ Paid	1,309	563
Miscellaneous Income	-	-
Net Cash Flow from Operating Activities	5,06,330	4,34,219
Cash flows from investing activities		
Purchase of investments (Net)	(31,48,133)	(19,45,637)
Sale of Investments (including gain/loss)	24,29,795	12,17,944
Purchase of fixed Assets	(34,049)	(6,555)
Sale of Fixed Assets (including gain/loss)	27	-
Interest, Dividends received	3,46,894	3,25,998
Net Cash Flow from Investing Activities	(4,05,465)	(4,08,250)
Cash flows from financing activities		
Capital infusion	-	-
Share Application Money received	-	-
Net Cash Flow from Financing Activities		
Net Increase / Decrease in Cash & Cash equivalents	1,00,864	25,969
Cash and cash equivalents at the beginning of year	75,584	49,615
Cash and cash equivalents at the end of year	1,76,449	75,584

As per our Report of even date attached.

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

**HENEEL
KAMLESH
PATEL**

Digitally signed by HENEEL KAMLESH PATEL
DN: cn=H, o=Personal, postalCode=400002,
st=MAHARASHTRA,
serialNumber=49987676cd17b5eb23ab3974923
c37bda6474da076444ea1422dc279063c56,
cn=HENEEL KAMLESH PATEL
Date: 2020.05.22 20:53:15 +05'30'

CA. Heneel K. Patel
Partner
Membership No. 114103

For Sudit K. Parekh & Co. LLP
(Previously Sudit K. Parekh & Co.)
Chartered Accountants
Firm Registration No. 110512W/
W-100378

**KAPADIA
NEMISH
BHARAT**

Digitally signed by KAPADIA NEMISH BHARAT
DN: cn=K, o=Personal, postalCode=400002,
st=MAHARASHTRA,
serialNumber=49987676cd17b5eb23ab3974923
c37bda6474da076444ea1422dc279063c56,
cn=KAPADIA NEMISH BHARAT
Date: 2020.05.22 19:41:54 +05'30'

CA. Nemish Kapadia
Partner
Membership No. 111929

For and on behalf of the Board of Directors

**Akshay
Rajan
Raheja**

Akshay Raheja
Director
DIN. 00288397

**PANKAJ
ARORA**

Pankaj Arora
Managing Director & CEO
DIN. 08327428

**SHAH JIGAR
ASHWIN**

Jigar Shah
Company Secretary
ACS.No.A34571

**VIJAY
AGGARWAL**

Vijay Aggarwal
Director
DIN. 00515412

**SWARAJ
KRISHNAN**

Swaraj Krishnan
Independent Director
DIN. 02920929

**CHANDRAPRAKASH
H JAIN**

Chandraprakash Jain
Chief Financial Officer
PAN. ADJP9309D

Mumbai,
Date: 22nd May 2020



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

Schedule 16:

Significant Accounting policies and Notes forming part of financial statements for the year ended 31st March, 2020:

1. Background:

Raheja QBE General Insurance Company Limited ('the Company') was incorporated on 14th August, 2007, as a Company registered under the Companies Act, 2013. The Company is Joint venture between Prism Johnson Limited (Formerly Prism Cement Limited) (51%) and QBE Holdings (AAP) Pty Ltd (26%) and QBE Asia Pacific Holding Limited (23%). The Company is registered with Insurance Regulatory and Development Authority ('IRDA') and obtained its license on 11th December, 2008. It is renewed by paying fees on 10th January 2020 as per the Section 3A of the Act amended by Insurance Law (Amendment) Act, 2015.

2. Significant Accounting Policies:

2.1 Basis of preparation of Financial Statements:

The financial statements are prepared and presented in accordance with generally accepted accounting principles followed in India under the historical cost convention, on the accrual basis of accounting and in accordance with statutory requirements of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015, Insurance Regulatory and Development Authority (IRDA) Act, 1999, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('The Regulations') and order/directions prescribed by IRDA in this behalf, the Accounting standards specified under Section 133 of the Companies Act, 2013 and rules made thereunder, to the extent applicable and current practices prevailing in the Insurance Industry.

2.2 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expense and disclosure of contingent liabilities on the date of financial statements. The estimates and assumptions used in the financial statements are based on the management's evaluation of the relevant facts and circumstances as on the date of financial statements. Actual results may differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Revenue Recognition:

Premium Income:

Premium (net of GST), on direct business and reinsurance accepted, is recognized as income based on 1/365th Method of contract period or risk period whichever is appropriate. Any subsequent revision to or cancellation is recognized in the year in which they occur.

Commission on Reinsurance Ceded:

Commission received on reinsurance ceded is recognized as income in the period in which reinsurance premium is ceded.

Profit commission under reinsurance treaties wherever applicable, is recognized on accrual basis. Any subsequent revisions of profit commission are recognized for in the year in which final determination of the profits are intimated by reinsurers.

Investment Income:

Interest income on fixed interest-bearing debt securities and fixed deposits with scheduled banks is recognized on accrual basis.

Dividend income is recorded when the right to receive the dividend is established.

Amortization of premium and accretion of discount relating to debt securities is recognized over the holding/maturity period of security on straight line basis.

The net realized gain or losses on the debt securities are the difference between the net sale consideration and the amortized cost, which is computed on a weighted average basis as on the date of sale. In case of mutual fund units, the profit or loss on actual sale of investment includes effects of accumulated fair value changes previously recognized and credited to Fair Value Change account.

Sale consideration for the purpose of realized gain or loss is net of brokerage and taxes, if any and excludes accumulated interest received on sales.

Income earned from investments is allocated to the revenue accounts and the profit and loss account on the basis of funds available from policyholders and shareholders and are further allocated to the lines of business in proportion of their respective Gross written premium.

2.4 Reinsurance Ceded:

Reinsurance cost in respect of proportional reinsurance ceded, is accrued at policy inception. Non proportional reinsurance cost is recognized when incurred and due. Any subsequent revisions to refunds or cancellations of premiums are recognized in the year in which they occur.

2.5 Reinsurance Accepted:

Reinsurance inward acceptances are accounted for on the basis of returns/intimations, to the extent received, from the insurers.

2.6 Premium Deficiency:

Premium deficiency is recognized if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the sum of related premium carried forward to the subsequent accounting period as the reserve for unexpired risk. Premium deficiency is maintained at a company level and monitored by line of business.

The Premium deficiency is determined based on the actuarial principles by the Appointed Actuary.

2.7 Acquisition Costs:

Acquisition costs are defined as costs that vary with, and are primarily related to, the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses etc, are expensed in the year in which they are incurred.

2.8 Premium Received in Advance:

Premium received in advance represents the premium received where the risk commences subsequent to the balance sheet date.

2.9 Reserve for Unexpired Risk:

Reserve for unexpired risk represents that part of net premium (net of proportional reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate. The reserves are computed as 100% in case of Marine Hull business and 1/365th method on unexpired period in case of other businesses.

2.10 Claims Incurred:

Claims incurred comprises of claims paid (net of salvage and other recoveries), change in estimated liability for outstanding claims, change in estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising survey, legal and directly attributable expenses.

Claims are recognized as and when reported based on information from Surveyors / insured / Brokers. Claims paid (net of reinsurance recoveries) are charged to the respective revenue account. Provision is made for estimated value of claims outstanding as at the balance sheet date net of reinsurance recoveries. Reserve is maintained for each claim which at all times reflects the amount likely to be paid on each claim, as anticipated and estimated by the management in the light of past experience and subsequently modified for changes, as appropriate. Amounts received/receivable from the reinsurers/ coinsurers under the terms of the reinsurance and coinsurance arrangements respectively, are recognized together with the recognition of claim.

2.11 IBNR (Claims Incurred but not reported) and IBNER (Claims Incurred but not enough reported)

IBNR represents that amount of all claims that may have been incurred prior to the end of current accounting year but not have been reported or claimed. The IBNR provision also includes provision if any required for claims incurred but not enough reported. The IBNR (including IBNER) is determined based on the actuarial principles by Appointed Actuary.

2.12 Contribution to the Terrorism Pool

The Company in accordance with the IRDA requirements participates in the Terrorism Pool. Terrorism pool is managed by the General Insurance Corporation of India (GIC). Amounts collected as terrorism premium in accordance with the requirement of Tariff Advisory Committee (TAC) are ceded at 100% of the terrorism premium collected to the Terrorism Pool.

In accordance with the terms of the agreement, GIC retrocedes to the company to the extent of the share agreed to be borne by the company in the risk. Amount so retro ceded by GIC is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly confirmation received from GIC. Accordingly, reinsurance accepted on account of the Terrorism Pool has been recorded upto the last statement received from GIC.

2.13 Management Expenses:

Operating expenses related to the Insurance Business are allocated to specific business segment on the following basis:

- a) Expenses that are directly attributable to a specific segment will be allocated on actual.
- b) Other expenses, that are not directly attributable, will be apportioned on the basis of net premium of each segment.

The expenses in excess of the permissible limit under Expenses of Management regulations are apportioned on the basis of expenses under respective business segments arrived after allocation and apportionment as per points a and b above.

Expenses related to Investment activities of share holders fund are charged to the profit and loss account.

2.14 Property Plant and Equipment:

Property Plant and Equipment are stated at cost less accumulated depreciation. Cost includes purchase price plus any expense directly attributable to bringing the asset to its working condition for its intended use.

Intangible assets comprising computer software's are stated at cost less amortization.

Assets costing up to Rs. 5,000/- are depreciated fully in the year of acquisition.

Depreciation on Property Plant and Equipment is provided on Straight Line Basis using economic useful lives of assets as estimated by the management and the useful lives specified under Schedule II to the Companies Act, 2013. The useful lives considered for depreciation followed by the Company are as follows:

Particulars	Useful Lives
Vehicles	5 Years
Office Equipments	4 years
Furniture & Fittings	10 Years
Information Technology Equipments	3 Years

Software (Intangible Assets) are amortized over 3 Years.

Leasehold Improvements are amortized over the lease term. Depreciation is charged on assets from the date the asset is capitalized on a pro-rata basis.

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 profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

2.15 Foreign Currency Transactions:

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. All exchange differences arising on settlements/ conversion are recognized in the revenue accounts or profit and loss account as applicable. Monetary items denominated in foreign currencies at the year- end are reinstated at the exchange rate prevailing at balance sheet date.

2.16 Investments:

Investments are made in accordance with the Insurance Act, 1938 as amended by The Insurance Laws (Amendment) Act, 2015, The IRDA (Investment) Regulation, 2000, as amended from time to time and various circulars/ notifications issued by IRDA in this context from time to time.

Investments are recorded on trade date at cost. Cost includes brokerage, transfer charges, etc. but excludes accrued interest up to the date of purchase.

Classification:

Investments maturing within a period of twelve months from the date of balance sheet are classified as "Short term Investments" and other investments are classified as "Long term Investments".

Investments pertaining to Shareholders and Policyholders funds are segregated on notional basis as per IRDAI circular IRDA/F&A/CIR/CPM/010/01/2017 dated 12th January 2017.

Valuation of Debt Securities:

Debt securities are considered as 'held to maturity' and accordingly stated at historical cost adjusted for amortization of premium or accretion of discount on straight line basis over the period of maturity/holding.

Valuation of Mutual Fund:

Mutual fund units are stated at their 'Net Asset Value' (NAV) as at balance sheet date and any unrealized profit or loss (i.e. difference between cost and NAV) is debited/ credited to fair value change account.

Investment other than those mention above are valued at cost.

Fair Value Change Account:

Fair value change account represents unrealized gains or losses in respect of investments in equity securities, derivative instruments and mutual fund units outstanding at the close of the year. The profit or loss on sale of investment includes accumulated changes in fair value previously recognized in respect of that particular investment. This balance of fair value change account is not available for distribution, pending realization.

Impairment of Investments:

The Company at each balance sheet date assesses whether any impairment has occurred to the investments. An impairment loss is recognized as an expense in revenue / profit and loss account to the extent of the difference between re-measured fair value of the security/investment and its acquisition cost as reduced by any previous impairment loss recognized as expense in revenue / profit and loss account. Any reversal of impairment loss previously recognized as expense in revenue / profit and loss account is credited to revenue / profit and loss account.

2.17 Employee Benefits: -

2.17.1 Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Undiscounted value of benefits such as salaries and bonus are recognized in the period in which the employee renders the related service.

2.17.2 Long term employee benefits:

2.17.2.1 Defined Contribution Plans:

The Company contributes to Government Recognized Employees Provident Fund Scheme and the Employees Superannuation Fund is maintained with Life Insurance Corporation of India (LIC). The company also contributes towards National Pension Scheme which is maintained with the Pension Fund Regulatory and Development Authority. The Company's contribution paid/payable under the above schemes are recognized as an expense in the revenue accounts/ profit and loss account during the period in which the employee renders the related service.

2.17.2.2 Defined Benefit Plans:

The Company contributes to an approved gratuity fund maintained with the Life Insurance Corporation of India (LIC). Company's contributions paid/payable under the scheme are recognized as an expense in the revenue accounts/profit and loss account during the period in which the employee renders the related service. Accumulating compensated leave entitlements are provided for on the basis of actuarial valuation on the balance sheet date.

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the future obligation under the defined benefit plan is based on the market yields on government securities at the balance sheet date. Actuarial gains or losses are recognized immediately in the revenue/profit and loss account.

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

2.18 Segment Reporting:

The Company's primary reportable segments are business segments, which have been identified in accordance with the regulations. Segment revenue and results have been disclosed in the financial statements. Due to inherent complexities segment assets and liabilities have been identified to the extent possible in the statement annexed hereto. There are no reportable geographical segments since the Company provides services only to customers in the Indian market or to Indian interests overseas and does not distinguish any reportable regions within India.

2.19 Operating Leases:

Lease payments for assets taken on operating lease are recognized as an expense in the revenue / profit and loss account over the lease term.

2.20 Earnings Per Share:

The company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting standard 20 on EPS.

The basic EPS is computed by dividing the net profit or loss in the Profit and Loss account attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting period.

Diluted (EPS) is computed, by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the reporting period after adjusting for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

2.21 Taxation:

Current Tax

The Company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternate Tax ('MAT') credit is recognised 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.

Deferred Tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the Company's financial statements and the taxable income for the year.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets thereon are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

2.22 Provisions and Contingencies:

A provision is recognized when an enterprise has present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow is remote, no provision or disclosure is made.

3. NOTES TO ACCOUNTS

3.1 Statutory disclosures as required by IRDA:

3.1.1 Contingent Liabilities:

(Rs. '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Partly paid up investments	NIL	NIL
Under writing commitments outstanding	NIL	NIL
Claims, other than those under policies not acknowledged as debt	NIL	NIL
Guarantees given by or on behalf of the Company	NIL	NIL
Statutory demands/liabilities in dispute, not provided for		
<ul style="list-style-type: none"> Income tax – <ul style="list-style-type: none"> ✓ Demand raised for AY 2012-13 ✓ Demand raised for AY 2013-14 ✓ Demand raised for AY 2014-15 ✓ Demand raised for AY 2015-16 Service Tax– <ul style="list-style-type: none"> ✓ Demand raised by Service Tax Department for previous five years starting from FY 2009-10 to 2013-14 towards disallowance of Cenvat credit on brokerage payment against Coinsurance Business. ✓ Demand raised by Service Tax Department for FY 2014-15 towards disallowance of Cenvat credit on brokerage payment against Coinsurance Business including penalty. ✓ Penalty raised by Service Tax Department for FY 2014-15 ✓ Demand raised by Service Tax Department for FY 2015-16 towards disallowance of Cenvat credit on brokerage payment against Coinsurance Business. ✓ Penalty raised by Service Tax Department for FY 2014-15 ✓ Demand raised by Service Tax Department for FY 2016-17 towards disallowance of Cenvat credit on brokerage payment against Coinsurance Business. ✓ Demand raised by Service Tax Department for the period April 2013 to June 2016 towards proportionate reversal of Cenvat credit on exempt turnover under Rule 6(3). 	16,307 NIL 107 42 NIL NIL NIL NIL NIL 15,977	16,307 NIL 107 42 546 169 17 146 15 17 15,977

Reinsurance obligations to the extent not provided in the accounts	NIL	NIL
Others	NIL	NIL

3.1.2 Encumbrances:

The assets of the Company are free from all encumbrances.

3.1.3 Commitments:

Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets is Rs. 12,842 thousands (Previous year NIL).

There are no commitments made and outstanding for investments and loans.

3.1.4 Premium Deficiency:

In accordance with IRDAI circular IRDA/F&A/CIR/FA/126/07/2013 dated 3rd July 2013, Insurers are not required to recognize premium deficiency arising out of Motor Third Party portfolio including erstwhile Motor Pool, Declined Risk Pool and other Pools. Accordingly, during the year the company has not recognized premium deficiency on Motor Third Party portfolio which was accounted hitherto.

3.1.5 Claims

Claims, less reinsurance paid to claimant –

(Rs.'000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
In India	1,50,458	76,739
Outside India	1,943	2,736

The Company does not have any liability relating to claims where the claim payment period exceeds four years.

Ageing of claims less reinsurance is set out in the table below –

(Rs.'000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
More than six months	4,85,387	2,90,377
Others	1,29,683	1,35,022

Claims settled and remaining unpaid for more than six months is NIL (Previous year Rs. NIL).

3.1.6 Extent of premium income recognized based on varying risk pattern is Rs. NIL (Previous year Rs. NIL).

3.1.7 All premiums net of reinsurance are written and received in India.

3.1.8 Value of contracts in relation to investment, for:

Value of contracts outstanding in relation to purchases where deliveries are pending and sales where payments are outstanding/ overdue at the end of the year.

(Rs. '000)		
Nature of transaction	Asset Class	Amount
Purchase	Debenture	1,03,074
Sale	Mutual Fund	1,03,100

Investments made are in accordance with the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended from time to time and various circulars/ notifications issued by IRDA in this context from time to time.

The historical cost of investments in mutual funds which have been valued on a fair value basis is Rs. 1,79,291 thousands (Previous year Rs 2,94,032 thousands).

The Company does not have any investment in property as at March 31, 2020. (Previous year Rs. NIL)

3.1.9 Managerial Remuneration:

(Rs. '000)		
Particular	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Allowances	32,094	16,740
Gratuity and Leave Encashment	-	4,450
Perquisites	746	904
Bonus	22,100	8,240
Contribution to Provident Fund	1,104	844
Contribution to Superannuation Fund	-	703
Total	56,044	31,881

The managerial remuneration is in accordance with the approval accorded by a resolution of the Board of Directors and which has been approved by IRDA as required under Section 34A of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015.

3.1.10 Extent of risk retained and reinsured with respect to the Gross Written Premium (excluding excess of loss and catastrophe reinsurance).

Particulars	Year	Risk Retained	Risk Reinsured
		% of business written	% of business written
Fire	2019-20	30.66%	69.34%
	2018-19	20.19%	79.81%
Marine	2019-20	115.66%	(15.66)%
	2018-19	81.51%	18.49%
Miscellaneous	2019-20	90.14%	9.86%
	2018-19	91.27%	8.73%
Total	2019-20	88.61%	11.39%
	2018-19	89.72%	10.28%

3.1.11 Percentage of Business Sector wise (Based on the gross direct premium)

Business Sector	For the year ended March 31, 2020					For the year ended March 31, 2019				
	GDP (Rs.'000)	No. of Policies	No. of Lives	Required as per Regulations	% of GDP	GDP (Rs.'000)	No. of Policies	No. of Lives	Required as per Regulations	% of GDP
Rural	1,12,747	5,907	-	7.00%	7.13%	83,462	3,903	-	7.00%	7.20%
Social	253	2	17,604	7,303	0.02%	523	2	8,478	4,180	0.05%
Urban	14,68,216	63,153	-	-	92.85%	10,75,657	71,234	-	-	92.76%
Total	15,81,216	69,062	-	-	100.00%	11,59,642	75,139	-	-	100.00%

3.1.12 Reinsurance Regulations

As per IRDAI (General Insurance – Reinsurance) Regulations, 2016, surplus over and above domestic reinsurance arrangements class-wise can be placed by the (re)insurer independently with any of the cross-border reinsurers complying with regulation 3(9) subject to the following limits of the total reinsurance premium ceded outside India being placed with any one reinsurer:

Rating of Reinsurers (as per Standard & Poor and applicable to other equivalent international rating agencies)	Limits of Cession allowed under Regulation 3(11(a))	Limits of Cession allowed under Regulation 3(11(b))	Limits of Cession allowed under Regulation 3(11(c))
BBB & BBB + of Standard & Poor	10%	10%	20%
Greater than BBB+ and upto & including A+ of Standard & Poor	15%	15%	25%
Greater than A+ of Standard & Poor	20%	20%	30%

Where it is necessary in respect of specialized reinsurer to cede a share exceeding such limit to any particular cross border reinsurer, the (re)insurer may seek the specific approval of the authority giving reasons for such cession.

In term of IRDA Reinsurance Regulations, the Company has submitted details in respect of its reinsurance program for the year 2019-20 to the Authority and also communicated all the facultative placements on direct proposals placed during the financial year.

3.1.13 Employee benefits:

Disclosures as per AS-15 (revised) "Employee Benefits" are as follows:

a) Defined Benefit plan: -

(Rs. '000)

	Gratuity (Funded)	
	2019-20	2018-19
Changes in Present Value of Obligations		
Present Value of Obligation as at the beginning of the year	11,299	8,977
Acquisition adjustment		
Interest Cost	683	521
Past Service Cost		-
Current Service Cost	2,297	1,196
Curtailement Cost / (Credit)		-
Settlement Cost / (Credit)		-
Benefits paid	(3,810)	(4,430)
Actuarial (gain)/ loss on obligations	154	(5,035)
Present Value of Obligation as at the end of the year	10,623	11,299
Changes in the Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	4,988	7,804
Acquisition Adjustments	-	-
Expected Return on Plan Assets	305	480
Contributions	1,692	1,197
Benefits Paid	(3,810)	(4,430)
Actuarial Gain / (loss) on Plan Assets	(79)	(63)
Fair Value of Plan Assets at the end of the year	3095	4,988

ACTUARIAL GAIN / LOSS RECOGNIZED		
Actuarial (gain)/ loss for the year – Obligation	154	5,035
Actuarial (gain)/loss for the year - Plan Assets	79	63
Total (gain) / loss for the year	233	5098
Actuarial gain/ (loss) recognized in the year	(233)	(5098)
Unrecognized actuarial (gains) / losses at the end of year	-	-
AMOUNTS TO BE RECOGNIZED IN BALANCE SHEET		
Present Value of Obligation as at the end of the year	6,311	(1028)
Employer expenses for the period	2,909	6,480
Benefit payment made directly by Sponsor	-	-
Actual Contribution by Sponsor	(1,692)	(1,197)
Net Asset/ (Liability) Recognized in Balance Sheet	(7,528)	(6,311)
EXPENSE RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS		
Current Service Cost	2,297	1,196
Past Service Cost	-	145
Interest Cost	683	521
Expected Return on Plan Assets	(305)	(480)
Curtailement Cost /(Credit)	-	-
Settlement Cost /(Credit)	-	-
Net actuarial (gain)/loss recognized in the year	233	5,098
Expenses Recognized in the statement of Profit & Loss	2,909	6,480

Major category of plan asset as a percentage of plan asset

Discount Rate	6.44 (P.a)	7.28 (P.a)
Rate of increase in Compensation levels	10.00 (P.a)	10.00 (P.a)
Rate of Return on Plan Assets	7.75	7.75
Expected Average remaining working lives of employees (years)	7.98 yrs	7.66 yrs

Experience Adjustments:

(Rs. '000)

Particulars	Gratuity (Funded)				
	2019-20	2018-19	2017-18	2016-17	2015-16
Present value of the defined benefit obligation	10,623	11,299	8,977	6,164	6,159
Fair value of the plan assets	3,095	4,988	7,804	6,757	5,731
Surplus or (deficit) in the plan	(7,528)	(6,311)	(1,173)	593	(429)
Experience adjustments on liabilities: gain/(loss)	555	(3,537)	(9)	1,467	(609)
Experience adjustments on plan assets: gain/(loss)	(79)	(63)	(86)	(136)	0

Gratuity contribution is paid to LIC of India under Gratuity scheme of LIC.

The Contribution expected to be made by the Company during the F.Y.2020-21 amounts to Rs.1,217 thousands.

b) Defined Contribution Plan: -

(Rs. '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Contribution to Provident Fund	6,943	4,448
Contribution to Superannuation Fund	3,945	7,918
Contribution to National Pension Scheme	1,402	1,927

c) Other long-term liability: -

Amount recognised as an expense in respect of Privileged Leave is Rs.5,946 thousands (Previous year Rs. 2,050 thousands).

Amount recognised as an expense in respect of Sick Leave is Rs. 1,819 thousands (Previous year 227 thousands).

3.1.14 Summary of Financial Statements:

(Rs. '000)

	Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
A	OPERATING RESULTS					
	Gross written premium	17,99,743	12,96,393	9,28,525	6,76,327	3,68,289
	Net Earned Premium (Net of reinsurance)	11,43,021	8,95,665	6,01,914	3,74,635	2,14,906
	Income from investment (Net)	2,26,557	1,53,417	1,00,671	75,248	30,860
	Miscellaneous Income	3,230	1,967	1,616	1,783	1,863
	Total Income	13,72,808	10,51,050	7,04,201	4,51,665	2,47,630
	Commission (Net) including Brokerage	1,10,730	74,593	51,873	52,119	44,696
	Operating Expense	5,11,496	3,67,505	2,60,075	1,73,547	1,74,076
	Net Claims Incurred	8,59,414	7,47,845	4,60,239	2,58,387	53,502
	Change in Unexpired Risk Reserve	2,89,425	1,55,470	1,57,578	1,28,351	40,722
	Operating Profit/Loss	(1,07,929)	(1,39,254)	(64,785)	(36,103)	(21,702)
B	NON-OPERATING RESULT					
	Total Income Under Shareholders account	88,370	1,23,041	1,48,423	1,48,146	1,81,744
	Profit/(Loss) before tax	(6,54,742)	(2,19,033)	17,053	39,304	1,45,204
	Provision for tax	(33,597)	(15,503)	6,002	12,495	41,300
	Profit/(Loss) after tax	(6,21,145)	(2,03,530)	11,051	26,809	1,03,904
C	MISCELLANEOUS					
	Policy Holder's Account					
	Total Funds Total Investments Yield on investments	Not applicable being General Insurance Company				
	Shareholder's account					
	Total Funds Total Investments Yield on investments	Not applicable being General Insurance Company				
	Paid up Equity Capital	20,70,000	20,70,000	20,70,000	20,70,000	20,70,000
	Net Worth	14,87,725	21,08,784	23,10,539	23,00,536	22,73,897
	Total Assets	52,34,761	45,47,777	38,31,188	32,15,183	27,46,403
	Yield on Total Investments*	3.60%	7.23%	7.84%	8.17%	8.52%
	Earnings per Share (Rs.)	(3.00)	(0.98)	0.05	0.13	0.50
	Book value per Share (Rs.)	7.19	10.19	11.16	11.12	10.99
	Total Dividend	-	-	-	-	-
	Dividend per share (Rs.)	-	-	-	-	-

*The yield of 3.60% for the year 2019-20 is after considering NPA provision for IL&FS securities & yield without consideration of NPA provision on IL&FS securities is 7.17%.

3.1.15 Analytical Ratios as on 31st March 2020:

For ratios as at March 31, 2020 refer Annexure 1a and for March 31, 2019 refer Annexure 1b.

3.1.16 Details of penal action from Government Authorities:

Sl No.	Authority	Non-Compliance/ Violation	Amount in Rs.'000		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	Violation of Para 7.2 (iv) (i), 7.2 (iv)(c), 17, 6(f), 6(m) of guidelines on Product Filing Procedures for General Insurance Products vide IRDA/NL/GDL/F&U/030/02/2016 dated 18th Feb, 2016, Circular ref.IRDAI/NL/GDL/F&U/109/05/2017 dated 3rd May 2017 and GRs-3 of erstwhile India Motor Tariff.	10,000	10,000	NIL
2	Service Tax / GST Authorities	NIL	NIL	NIL	NIL
3	Income Tax Authorities	NIL	NIL	NIL	NIL
4	Any other Tax Authorities	NIL	NIL	NIL	NIL
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	NIL	NIL	NIL	NIL
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	NIL	NIL	NIL	NIL
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	NIL	NIL	NIL	NIL
8	Securities and Exchange Board of India *	NA	NA	NA	NA
9	Competition Commission of India	NIL	NIL	NIL	NIL
10	Any other Central/State/Local Government / Statutory Authority	NIL	NIL	NIL	NIL

*Post listing

3.1.17 Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders:

Particulars	Total Amount (INR'000)	AGE-WISE ANALYSIS						
		00-06 Months	07-12 months	13-18 months	19-24 months	25-30 months	31-36 months	37-120 months
claims settled but not paid to the policyholders / Insured due to any reasons except under litigation from the insured / policyholders	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
sum due to the insured / policyholders on maturity or otherwise	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	109	103	1	2	1	1	0	1
Cheques issued but not encashed by the policyholder/ insured	11,487	10,986	443	NIL	50	8	NIL	NIL
Total	11,596	11,089	444	2	51	9	NIL	1

Details of Unclaimed amount and investment income for the year ended 31st March 2020 as under.

(Rs. '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	5,242	1,452
Add: Amount transferred to Unclaimed Fund	25,989	13,781
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	-	58
Add: Investment Income on Unclaimed Fund	-	-
Less: Amount of claims paid during the year	19,635	10,050
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-
Closing Balance of Unclaimed Amount Fund	11,596	5,242

3.2 Other Disclosures:

3.2.1 Contribution to the Environment Relief fund

During the year, an amount of Rs.292 thousands (Previous year – Rs.293 thousands) was collected towards Environment Relief Fund from Public Liability Act policies and an amount of Rs.320 thousands (Previous year – Rs.274 thousands) has been transferred to “United India Insurance Company Limited, Environment Fund Account” as per the Notification of Environment Relief Fund (ERF) scheme under the Public Liability Insurance Act, 1938 as amended with Rs. Nil thousands (previous year Rs.27 thousands) closing balance as on 31st March 2020.

3.2.2 Contribution to the Solatium Fund

In accordance with the IRDAI requirements, the Company has provided 0.10% of total third party premium on all motor policies (excluding reinsurance premium accepted on motor third party for commercial vehicles) towards contribution to the Solatium Fund. During the year, the Company has contributed Rs.956 thousands (Previous year Rs.767 thousands) and disclosed under Current Liabilities.

3.2.3 Micro and Small scale business entities:

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Amounts remaining unpaid to micro and small suppliers as at the end of the year:		
-Principal	Nil	Nil
-Interest	Nil	Nil
(ii) The amount of interest (other than the interest under Section 16) paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iii) Interest paid under Section 16 to suppliers registered under MSMED act, beyond the appointed day during the year.	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

3.2.4 Segmental Reporting:

Segment revenue and segment results have been incorporated in the financial statements. However, assets and liabilities, given the nature of business, have been allocated among the various segments to the extent possible.

(Rs.'000)

Segment	Year	Claims Outstanding	Advance Premium	Reserve for unexpired risk	Premium Deficiency Reserve
Fire	2019-20	5,216	-	5,037	-
	2018-19	2,751	2,011	1,571	-
Marine Cargo	2019-20	168	-	49	-
	2018-19	221	-	174	-
Marine Hull	2019-20	-	-	-	-
	2018-19	-	-	-	-
Motor OD	2019-20	7,804	2,891	66,803	-
	2018-19	2,796	-	1,206	885
Motor TP	2019-20	17,61,113	2,519	5,56,831	-
	2018-19	10,86,772	528	4,10,129	-
Employer's Liability	2019-20	18,241	-	6,246	-
	2018-19	12,860	42	4,029	-
Engineering	2019-20	870	-	1,059	-
	2018-19	927	-	780	-
Aviation	2019-20	-	-	-	-
	2018-19	-	-	-	-
Public Liability	2019-20	50,692	-	34,576	-
	2018-19	48,065	527	19,176	-
Other Liability	2019-20	3,43,772	-	2,64,579	-
	2018-19	3,29,722	1,701	2,12,827	-
Personal Accident	2019-20	1,335	-	311	-
	2018-19	686	-	323	18
Health	2019-20	2,252	25	4,079	-
	2018-19	1,139	44	480	-
Other Misc.	2019-20	3,905	-	1,083	-
	2018-19	2,415	4,721	533	-
Total	2019-20	21,95,367	5,435	9,40,652	-
	2018-19	14,88,355	9,575	6,51,227	903

Related Party disclosures:

- a. List of related party disclosure as per AS 18:

Nature of Relationship	Name of the Related Party
Holding Company	Prism Johnson Limited (Formerly Prism Cement Limited) effective 18 th April, 2018.
Joint Venture Partner	QBE Holdings (AAP) Pty Limited QBE Asia Pacific Holding Limited
Holding Company of Joint Venture Partner	QBE Insurance Group Limited
Fellow Subsidiary of Joint Venture Partner	QBE Insurance (International) Limited QBE Insurance (Europe) Limited QBE Insurance (Australia) Limited QBE Re Services Pty Limited QBE Hongkong & Shanghai Insurance Limited

	<p>QBE Insurance (Fiji) Limited</p> <p>QBE Insurance (Malaysia) Berhad</p> <p>QBE Insurance (PNG) Limited</p> <p>QBE Insurance (Singapore) PTE Limited</p> <p>QBE Group Services Pty Limited</p>
Key Management personnel and relative of such personnel	<p>Mr. Pankaj Arora – Chief Executive Officer & Managing Director from 01st April 2019</p> <p>Mr. Praveen Gupta – Chief Executive Officer & Managing Director upto 31st March 2019</p> <p>Mrs. Medha Gupta - Relative of Key Personnel upto 31st March 2019</p> <p>Mrs. Vandana Gupta- Relative of Key Personnel upto 31st March 2019</p>
Enterprise where Director is having significant influence	<p>Windsor Realty Private Limited</p> <p>Globus Stores Private Limited</p> <p>Hathway Cable & Datacom Limited</p> <p>ABU Developers Private Limited</p> <p>Sonata Software Limited</p> <p>Arjun Housing Private Limited</p> <p>Beach Plaza Contractors & Developer Private Limited</p> <p>Chandramouli Finance & Estate Private Limited</p> <p>Chevy Trading Private Limited</p> <p>Colonnade contractors & Developers Private Limited</p> <p>Excelsior Construction Private Limited</p> <p>Fortune Films Private Limited</p> <p>Gstaad Estate Private Limited</p> <p>Gstaad Investment & Finance Private Limited</p> <p>Kalpitam premises Private Limited</p> <p>Kanyakumari contractors & Developer Private Limited</p> <p>Kantinandan contractors & Developer Private Limited</p> <p>Kaunteya Contractors & Developers Private Limited</p> <p>Kuntiputra Properties Private Limited</p> <p>Lavina contractors & Developer Private Limited</p> <p>Manali Builders Private Limited</p> <p>Meenakshi Builder Private Limited</p> <p>R. Raheja Investments Private Limited</p> <p>R.B.R Estates & Finance Private Limited</p> <p>Shalini Developers Private Limited</p> <p>Shalini Construction Company Private Limited</p>

	Shiraz Realtors Private Limited
	Shore Line Construction Private Limited
	Sonal Properties Private Limited
	Villa Capri Developers Private Limited
	Whitsun Contractors & Builders Private Limited
	Granada Corporation
	Akalpitam Land Developers LLP
	Ascona Properties LLP
	Ananya Construction LLP
	Bay-Side Construction LLP
	Manali Estates LLP
	Matsyagandha Estates LLP
	R. Raheja Realty LLP
	Suchetan Construction LLP
	Villa- Capri Estates LLP
	Zillion Contractors & Developers LLP

b. Details of transactions with related parties:

Particulars	Nature of Transactions	2019-20		2018-19	
		Rupees (Paid / Received)	Receivable /(Payable)	Rupees (Paid / Received)	Receivable /(Payable)
Prism Johnson Limited (Formerly Prism Cement Limited)	Premium received**	3,295	-	3,607	-
	Premium deposit**	-	(228)	-	-
	Contribution towards Environmental Relief Fund	117	-	117	-
	Claims paid	-	(5,250)	118	(4,355)
	Rent paid	300	(180)	300	-
	Director's Fees Deposit refunded	-	-	100	-
	Premium Amount Refunded	-	-	453	-
	Security Deposit	-	-	-	200
QBE Insurance (Singapore) PTE Limited	Reinsurance premium paid	75,986	(53,378)	39,631	(53,296)
	Reinsurance commission received	17,954	11,323	8,698	12,009
	Claims recoverable	-	-	-	130
QBE Insurance (Europe) Limited	Reinsurance premium paid	1,611	(21,765)	3,883	(27,053)
	Reinsurance commission received	399	4,643	1,292	5,923
	Claims recoverable	-	-	-	366
QBE Insurance (Australia) Limited	Reinsurance premium paid	-	(509)	1,982	(509)

	Reinsurance commission received	-	102	396	102
	Re-imbursement of expenses	-	452	-	350
QBE Re Services Pty Ltd.	Re-imbursement of expenses	-	-	-	-
QBE Group Services Pty Ltd (HK Branch)	Re-imbursement of expenses	1,753	229	467	(6,618)
QBE Insurance (International) Ltd.	Re-imbursement of expenses	-	-	-	-
QBE Insurance (PNG) Limited	Manpower Recruitment Expense	-	51	-	51
Pankaj Arora	Remuneration*	56,044	(22,100)	-	-
Praveen Gupta	Remuneration*	-	-	31,881	(8,240)
	Premium deposit**	-	-	-	(44)
	Premium received**	-	-	42	-
Medha Gupta	Premium received**	-	-	2	-
Vandana Gupta	Premium received**	-	-	4	-
Windsor Realty Private Ltd.	Rent paid (Leave & License)	8794	-	14,598	-
	Security Deposit	(18,126)	-	-	18,126
Globus Stores Pvt. Ltd.	Premium received**	1610	-	1,332	-
	Premium deposit**	-	(30)	-	(26)
	Claims Paid	90		16	(228)
	Premium Amount Refunded	-	-	2	
Hathway Cable & Datacom Limited	Subscription Charges	423	-	229	-
Sonata Software Limited	Premium received**	1,527	-	1930	-
QBE Insurance (Malaysia) Berhad	Reinsurance inward-Premium Received	664	325	2,804	325
	Reinsurance inward-Reinsurance Ceding Commission paid	(78)	(73)	208	(73)
ABU Developers Pvt. Ltd.	Premium received**	-	-	83	-

*Expenses towards gratuity funding and Leave Encashment are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

** The premium amounts are excluding Service Tax / GST and other levies.

3.2.5 Lease:

The Company has taken office premises on lease.

- a. Lease rent debited to Profit and Loss Account:

(Rs. '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Leave and License Expenses	24,966	15,659

- b. The minimum lease payments to be made in future towards non-cancelable operating lease agreements are as follows

(Rs. '000)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Not later than one year	17,950	16,522
Later than one year and not later than five years	59,519	13,768

- c. The period of lease agreement is for 5 years, with a lock in period of 3 years and renewable with an escalation clause at the option of the lessee.

3.2.6 Earnings per Share:

(Rs. '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Profit available to equity shareholders	(6,21,145)	(2,03,530)
Total no of share outstanding at end of year	20,70,00,000	20,70,00,000
Weighted average no of equity shares outstanding during the year	20,70,00,000	20,70,00,000
Nominal value per share (Rs.)	10.00	10.00
Basic Earnings per share (Rs.)	(3.00)	(0.98)
Diluted Earnings per share (Rs.)	(3.00)	(0.98)

3.2.7 Taxes:

Accounting Standard (AS) 22 – ‘Accounting for Taxes on Income’, requires the company to accrue taxes on income in the same period as the revenue and expenses to which they relate. As the taxable income is different from the reported income due to timing differences, there arises a potential deferred tax asset or deferred tax liability as the case may be.

1) Current Tax:

(Rs. '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Tax/MAT payable	-	-
Tax adjustments for earlier years	-	-
MAT Credit Entitlement	-	-
MAT Credit taken for earlier years, now reversed	-	-
TOTAL	-	-

2) Deferred Tax:

The components of the Company's deferred tax liabilities and assets are tabulated below:

(Rs. '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets:		
Expenses allowable on payment basis (Leave Encashment, Bonus & Gratuity)	5,941	11,880
Diminution in the value of investment	51,991	12,997
Depreciation	3,601	3,060
Deferred Tax Assets	61,533	27,937

3.2.8 Corporate Social Responsibility:

In accordance with the provision of the Section 135 of the Companies Act, 2013 the company was required to spend Rs.NIL (Previous year Rs.1,343 thousand) on account of Corporate Social Responsibility (CSR) activities. The amount of Rs.1,343 unspent in F.Y.2018-19 was spent during the current year on CSR activities as approved by the CSR Committee of the Board is as follows:

(Rs. '000)

Sr.no.	Particulars	Incurred and Paid for the year ended March 31,2020	Incurred and Paid for the year ended March 31,2019
1	Construction/acquisition of any asset	NIL	NIL
2	On purposes other than (i) above	NIL	NIL

- 3.2.9 Pursuant to IRDAI (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016, the following expenses in excess of the permissible limit are charged to shareholders account:

(Rs. '000)

Segment	Amount for the year ended March 31, 2020
Marine	42
Health	1,767
Motor TP	2,68,496
Public Liability	26,919
Other Liability	1,39,389
Total	4,36,613

- 3.2.10 The investments in debt securities comprises of two securities of IL&FS amounting to Rs. 1,00,000 thousand each where in the interest due on both the securities has not been received as on the balance sheet date and is overdue for more than 90 days. As per Master Circular of IRDA dated May 2016, the Investments in the securities of IL&FS have been classified as Non – Performing Asset (NPA). The company has made a provision of 100% of the amortized value of the investments amounting to INR 1,99,967 thousand basis internal assessment.

3.2.11 **Disclosure of Other Works Given to Auditors:**

Pursuant to clause 7.1 (g) of Corporate Governance Guidelines issued by IRDA on August 5, 2009 the remuneration paid to Auditors for services other than statutory / concurrent / internal audit are disclosed below:

(Rs. '000)

Name	Nature	For the year ended March 31, 2020	For the year ended March 31, 2019
Shah Gupta & Co.	Certification	52	53
Sudit K. Parekh & Co. LLP	Certification	38	33
Shah Gupta & Co.	Tax Audit	63	106
Sudit K. Parekh & Co. LLP	Tax Audit	102	179
Shah Gupta & Co.	Limited Review	100	55
Sudit K. Parekh & Co. LLP	Limited Review	100	55
Shah Gupta & Co.	Other Services	50	NIL
Sudit K. Parekh & Co. LLP	Other Services	50	NIL

- 3.2.12 IRDAI vide circulars no. IRDAI/NL/CIR/MOT/079/04/2020 & IRDAI/HLT/CIR/MISC/078/04/2020, dated 2nd April, 2020 and circulars IRDAI/NL/CIR/MOT/090/04/2020 & IRDAI/HLT/CIR/MISC/091/04/2020 dated April 16, 2020 has stipulated that, the policyholders whose Motor third party insurance policies and health insurance policies fell due for renewal during the period on and from March 25, 2020 up to May 03, 2020 and who are unable to make payment of their renewal premium on time in view of the prevailing situation in the country as a result of COVID-19 are allowed to make premium payment for renewal of policies to their insurers on or before May 15, 2020 to ensure continuity of the statutory motor vehicle third party insurance & health insurance cover from the date on which the policy fell due for renewal, so that any valid claim triggered during the grace period can be paid.

Further, in accordance with Circular IRDAI/NL/CIR/MOT/081/04/2020 & IRDAI/HLT/CIR/MISC/082/04/2020 dated April 3, 2020 and subsequent intimation following details are disclosed;

(Rs. '000)

Particulars	Motor TP		Health	
	No. of policies	Amount	No. of policies	Amount
Due for renewal from 25 th Mar 2020 to 31 st March 2020	2001	50,415	13	56
Renewed & accounted in F.Y.2019-20	6	42	1	4
Renewed between 1 st April 2020 to 9th May 2020	1	7	-	-

Impact of renewed premium for the year ended 31st March 2020 on underwriting results is not material.

- 3.2.13 The COVID-19 has been declared a pandemic by the World Health Organization on March 11, 2020. The pandemic has led to a significant impact on the Indian Financial markets and an overall decline in the economic activities all across the world. On March 24, 2020, the Union Government of India has announced a 21-day lockdown, which was further extended by 33 days, across the country for containment of the pandemic.

The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess and provide for the impact of the COVID-19 pandemic on the Financial Statements as a whole for the period ended March 31, 2020. However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with current estimates. The Company will continue to closely monitor any changes to the estimates basis future economic conditions. Further the impact assessment does not indicate any adverse impact on the ability of the company to continue as a going concern

- 3.2.14 Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year classifications on the below line items in the final accounts:

Regrouped From		Regrouped to		(Rs. '000)
Previous Year 2018-19		Previous Year 2018-19		Amount
Schedule	Line item	Schedule	Line item	
Schedule-4	Auditor Fee's, expenses etc- Taxation Matter	Schedule-4	Legal & professional charges	
				105

As per our Report of even date attached.

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

**HENEEL
KAMLESH
PATEL**

Digitally signed by HENEEL KAMLESH PATEL
DN: c=IN, o=Personal, postalCode=400002, st=MAHARASHTRA, serialNumber=e495076cd17b5eb23d83974923027bde6474dea07c44ea142d2c779063c56, cn=HENEEL KAMLESH PATEL
Date: 2020.05.22 20:57:11 +05'30'

CA. Heneel K. Patel
Partner
Membership No. 114103

For Sudit K. Parekh & Co. LLP
(Previously Sudit K. Parekh & Co.)
Chartered Accountants
Firm Registration No. 110512W/
W-100378

**KAPADIA
NEMISH
BHARAT**

Digitally signed by KAPADIA NEMISH BHARAT
DN: c=IN, serialNumber=511566d0388158cd58660e58dcd1b0f2787c071ac4d8a4a0504301a4c7980a, o=Personal, cn=KAPADIA NEMISH BHARAT, 2.5.4.20=2a7c15f0503a42209382a5802a013a13baf145c069e078924c1a0ab194, street=A-302 R N A REGENCY PARK M G ROAD KANDIVALI WEST, email=nemish.kapadia@kaparekh.com, st=Maharashtra
Date: 2020.05.22 19:27:06 +05'30'

CA. Nemish Kapadia
Partner
Membership No. 111929

For and on behalf of the Board of Directors

**Akshay
Rajan
Raheja**

Digitally signed by Akshay Rajan Raheja
DN: c=IN, o=Personal, cn=Akshay Rajan Raheja, email=akshay.raheja@vsnl.com, postalCode=400002, st=MAHARASHTRA, serialNumber=51871a6d5f5a43d8a43c3d5860027001a, 2.5.4.41=0341100513623081344123988603716331450016602604018839799060210123412376, 2.5.4.20=2a7c15f0503a42209382a5802a013a13baf145c069e078924c1a0ab194, street=A-302 R N A REGENCY PARK M G ROAD KANDIVALI WEST, email=akshay.raheja@vsnl.com, st=Maharashtra
Date: 2020.05.22 17:40:11 +05'30'

Akshay Raheja
Chairman
DIN. 00288397

**VIJAY
AGGARWAL**

Digitally signed by VIJAY AGGARWAL
DN: c=IN, o=Personal, postalCode=400002, st=Maharashtra, 2.5.4.20=2a7c15f0503a42209382a5802a013a13baf145c069e078924c1a0ab194, street=A-302 R N A REGENCY PARK M G ROAD KANDIVALI WEST, email=vijay.aggarwal@vsnl.com, st=Maharashtra
Date: 2020.05.22 13:05:15 +05'30'

Vijay Aggarwal
Director
DIN. 00515412

**PANKAJ
ARORA**

Digitally signed by PANKAJ ARORA
Date: 2020.05.22 14:13:04 +05'30'

Pankaj Arora
Managing Director & CEO
DIN. 08327428

**SWARAJ
KRISHNAN**

Digitally signed by SWARAJ KRISHNAN
Date: 2020.05.22 13:44:02 +05'30'

Swaraj Krishnan
Independent Director
DIN. 02920929

**SHAH JIGAR
ASHWIN**

Digitally signed by SHAH JIGAR ASHWIN
Date: 2020.05.22 13:43:47 +05'30'

Jigar Shah
Company Secretary
ACS No. A34571

**CHANDRAPRAKAS
H JAIN**

Digitally signed by CHANDRAPRAKASH JAIN
Date: 2020.05.22 14:59:40 +05'30'

Chandraprakash Jain
Chief Financial Officer
PAN. ADJP9309D

Mumbai,
Date: 22nd May 2020

Annexure-1a Analytical Ratios as at March 31, 2020

Sr No	Ratio	Fire	Marine	Misc	Total
1	Gross Direct Premium Growth rate	50.94%	(82.90)%	36.13%	36.35%
2	Gross Direct premium to Net worth ratio	NA	NA	NA	1.06
3	Growth rate to Net worth	NA	NA	NA	(29.45)%
4	Net Retention Ratio	26.22%	98.20%	81.00%	79.59%
5	Net commission Ratio	3.26%	(8.48)%	7.77%	7.73%
6	Expense of Management to Gross Direct Premium Ratio	35.25%	57.24%	67.10%	66.36%
7	Expense of Management to Net written Premium Ratio	105.83%	58.28%	72.98%	73.26%
8	Net Incurred Claims to Net Earned Premium	37.00%	(20.20)%	75.50%	75.19%
9	Combined Ratio	95.71%	19.37%	134.25%	133.91%
10	Technical Reserve to Net Premium ratio	0.84	1.55	2.20	2.19
11	Underwriting Balance ratio	(0.34)	0.90	(0.68)	(0.68)
12	Operating Profit Ratio	64.54%	112.56%	(10.04)%	(9.44)%
13	Liquid Asset to liabilities ratio	NA	NA	NA	0.60
14	Net Earnings Ratio	NA	NA	NA	(43.36)%
15	Return on net worth	NA	NA	NA	(41.75)%
16	Reinsurance Ratio	73.78%	1.80%	19.00%	20.41%
17	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	NA	NA	NA	2.46
18	NPA ratio*	NA	NA	NA	75.00%

* Provision as a % of NPA

Annexure-1b Analytical Ratios as at March 31, 2019

Sr No	Ratio	Fire	Marine	Misc	Total
1	Gross Direct Premium Growth rate	(11.30)%	54.01%	40.65%	38.96%
2	Gross Direct premium to Net worth ratio	NA	NA	NA	0.55
3	Growth rate to Net worth	NA	NA	NA	(8.74)%
4	Net Retention Ratio	17.94%	67.80%	82.49%	81.08%
5	Net commission Ratio	(10.69)%	6.19%	7.18%	7.10%
6	Expense of Management to Gross Direct Premium Ratio	22.39%	27.50%	38.21%	37.87%
7	Expense of Management to Net written Premium Ratio	107.44%	40.56%	41.46%	41.78%
8	Net Incurred Claims to Net Earned Premium	4.60%	14.10%	83.97%	83.50%
9	Combined Ratio	39.07%	53.39%	113.60%	113.21%
10	Technical Reserve to Net Premium ratio	0.86	0.70	2.04	2.04
11	Underwriting Balance ratio	0.60	0.46	(0.33)	(0.33)
12	Operating Profit Ratio	161.44%	63.64%	(16.57)%	(15.55)%
13	Liquid Asset to liabilities ratio	NA	NA	NA	0.56
14	Net Earnings Ratio	NA	NA	NA	(19.36)%
15	Return on net worth	NA	NA	NA	(9.65)%
16	Reinsurance Ratio	82.06%	32.20%	17.51%	18.92%
17	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	NA	NA	NA	3.83
18	NPA ratio*	NA	NA	NA	25.00%

* Provision as a % of NPA