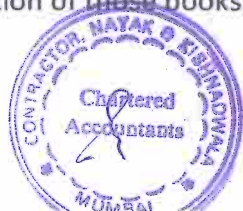


## Auditors' Report

To

The Members of Raheja QBE General Insurance Company Limited

1. We have audited the attached Balance Sheet of RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED ('the Company') as at March 31, 2012 and also the Revenue Accounts of Fire, Marine and Miscellaneous insurance (collectively known as the 'Revenue Accounts'), the Profit and Loss Account and the Receipts and Payments Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account have been drawn up in conformity with the Insurance Act, 1938, Insurance Regulatory and Development Authority ('IRDA') (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the Regulations') read with Accounting Standards referred to in Section 211 of the Companies Act, 1956 ('the Act'), to the extent applicable to the company.
4. As required by the Regulations, we set out in the Annexure a statement certifying the matters specified in paragraph 4 of schedule C to the Regulations.
5. We report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory;
  - 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 maintained by the Company so far as appears from our examination of those books;



- c. As the Company's accounts are 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 Accounts, the Profit and Loss Account and the Receipts and Payments Account dealt with by the report are in agreement with the books of account;
  - e. The actuarial valuation of liabilities in respect of claims Incurred But Not Reported ('IBNR') and Incurred But Not Enough Reported ('IBNER') at 31 March 2012, has been duly certified by the Company's appointed actuary. The appointed actuary has also certified to the Company that the assumptions considered for such valuation are in accordance with the guidelines and norms issued by the IRDA and the Actuarial Society of India in concurrence with the IRDA. We have relied upon the appointed actuary's certificate in this regard;
  - f. On the basis of the written representations received from the directors, as on March 31, 2012 and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the information and explanations given to us, we further report that:
- a. Investments of the Company have been valued in accordance with the provisions of the Insurance Act, 1938, the Regulations and orders/directions issued by IRDA in this behalf;
  - b. The accounting policies selected by the Company are appropriate and in compliance with the applicable accounting standards referred to in Section 211 (3C) of the Act and with the accounting principles prescribed in the Regulations and orders or directions issued by IRDA in this behalf.
  - c. The Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account referred to in this report are in compliance with Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent they are not inconsistent with the accounting policies prescribed by the IRDA;
  - d. The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account read together with the notes thereon are prepared in accordance with the requirements of the





Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999 and the Companies Act, 1956, to the extent applicable and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
- ii. in the case of the Revenue Accounts, of the deficit for the year ended March 31, 2012;
- iii. in the case of the Profit and Loss Account, of the profit for the year ended March 31, 2012; and
- iv. in the case of the Receipts and Payments Account, of the receipts and payments of the Company for the year ended March 31, 2012.

7. Further, on the basis of our examination of books and records of the Company and according to the information and explanations given to us and to the best of our knowledge and belief, we certify that:

- a. We have reviewed the management report attached to the financial statements for the year ended 31 March, 2012 and there are no apparent mistakes or material inconsistencies with the financial statements; and
- b. Based on the information and explanations received during the course of our audit, management representations by officers of the Company charged with compliance and compliance certificates noted by the audit committee, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration.

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
Firm Registration No: 101961W



(G. S. Nayak)

Partner

Membership No.: 38127

Mumbai; dated: 26<sup>th</sup> April, 2012



For Sudit K. Parekh & Co.  
Chartered Accountants  
Firm Registration No: 110512W



(Raman Jokhakar)

Partner

Membership No.: 103241

Mumbai; dated: 26<sup>th</sup> April, 2012



## Auditors' Certificate

(Referred to in the Auditor's report to the members of Raheja QBE General Insurance Company Limited ('the Company') on the financial statements for the year ended 31 March, 2012)

Based on the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Company for the year ended 31 March, 2012, we certify that:

- We have verified the cash balances, to the extent considered necessary, securities relating to the Company's investments by actual inspection or on the basis of certificates / confirmations received from custodian and / or Depository Participants appointed by the Company, as the case may be;
- The Company is not the trustee of any trust; and
- No part of the assets of the policyholders' fund has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the policyholders' funds.

This certificate has been issued to comply with Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, ('the Accounting Regulations'), read with Regulation 3 of the Accounting Regulations and may not be suitable for any other purpose.

For **Contractor, Nayak & Kishnadwala**  
Chartered Accountants  
Firm Registration No: 101961W



**(G. S. Nayak)**

Partner

Membership No.: 38127

Mumbai; dated: 26<sup>th</sup> April, 2012



For **Sudit K. Parekh & Co.**  
Chartered Accountants  
Firm Registration No: 110512W



**(Raman Jokhakar)**

Partner

Membership No.: 103241

Mumbai; dated: 26<sup>th</sup> April, 2012





## RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

### DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the Fifth Annual Report of your Company together with the audited Accounts of the Company for the year ended March 31, 2012.

### FINANCIAL RESULTS

	(INR '000)	
	2011-12	2010-11
Gross written premium	228,310	88,026
Insurance Profit/(Loss)	(88,861)	(177,447)
Investment Income on Shareholders Fund	149,446	119,377
Profit/(Loss) before Tax	57,654	(72,723)
Provision for Taxation	(13)	Nil
Provision for Deferred Tax	(327)	Nil
Profit/(Loss) after Tax	57,994	(72,723)

### OPERATIONS

During the year under review, the Company has booked gross written premium of INR 228,310 thousands as against INR 88,026 thousands in the previous year. The net earned premium stood at INR 79,354 thousands. The total income from investment for the year under review is INR 161,096 thousands as against INR 123,697 thousands in the previous year. The net profit before tax for the year 2011-12 was INR 57,654 thousands as against loss of INR 72,723 thousands for the year ended 2010-11. The net profit after tax stood at INR 57,994 thousands during the year under review as compared to net loss of INR 72,723 thousands during the previous year.





speciality offerings have started generating referrals. We expect to introduce "Pleasure Craft" product and filing of "P&I" later this year.

At a high level, the action plan envisaged for the next year is:

1. Consolidate the RQBE Specialty lines (Liability, Trade Credit and Marine amongst others)
2. New locations to start delivering on targets
3. Leverage QBE promoted Q-Tool for a B2C platform on affinity and like segments.

With the above mentioned strategy of focussing on specialist lines and an enhanced geographic presence it is expected that the business volumes for 2012-13 would be INR 450m

The fundamental Business and Underwriting Strategy of RQBE that every risk be treated on its merit and priced accordingly still holds good.

With a lean team, controlled costs and a modest top-line, RQBE is well on its way to become the lowest cost insurer and best 'Net Combined Operating Ratio' (NCOR) performer in the coming years.

## **INVESTMENTS**

The investment portfolio of the Company as on March 31, 2012 is INR 2,001,308 thousands. The Company's investment portfolio is prudently invested to minimize the risk while seeking reasonable returns. The weighted average annualized yield on investment for the year 2011-12 is 8.49 %.

## **DIRECTORS**

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Ms. Ameeta Parpia and Mr. Michael Goodwin retire by rotation

## **CORPORATE GOVERNANCE**

The Corporate Governance Guidelines for Insurance Companies has been implemented fully by the Company.

## **COMMITTEES**

In accordance with the requirements of the Corporate Governance Guidelines and the applicable provisions of the Companies Act, 1956, the Board of Directors has constituted the following Committees:

### **(i) Audit Committee**

The Audit Committee comprises of five non-executive Directors - Mr. Rajesh Kapadia, Mr. Akshay Raheja, Mr. Manoj Chhabra, Mr. Michael Goodwin and Mr. James Rudkin. Mr. Rajesh Kapadia, Chairman of the Committee, is a practicing Chartered Accountant.

The Audit Committee has met four times during the year ended March 31, 2012 on (i) April 18, 2011, (ii) July 19, 2011 (iii) November 22, 2011 and (iv) February 1, 2012 and the details of attendance by the Committee Members are as follows:

Name of Director	No. of Audit Committee Meetings attended
Mr. Rajesh Kapadia	2
Mr. Akshay Raheja	4
Mr. Manoj Chhabra	3
Mr. Michael Goodwin	4
Mr. James Rudkin	2

### **(ii) Investment Committee**

The Investment Committee comprises Mr. Akshay Raheja, Mr. Manoj Chhabra, Mr. Michael Goodwin, Mr. James Rudkin, Directors, Chief Executive Officer, Chief Financial Officer and Appointed Actuary and is chaired by Mr. Akshay Raheja.

Name of Director	No. of Risk Management Committee Meetings attended
Mr. Akshay Raheja	4
Mr. Rajesh Kapadia	2
Mr. James Rudkin	2
Mr. Michael Goodwin	4
Mr. Praveen Gupta	4
Mr. P Rajaram	1
Mr. Kiran Kumar	-

(iv) **Policyholder Protection Committee**

The Policyholder Protection Committee comprises of:

- Mr. Michael Goodwin - Chairman
- Mr. Rajesh Kapadia
- Mr. Praveen Gupta
- Mr. Vivek Saksena

The Committee has met four times during the year ended March 31, 2012, (i) April 18, 2011, (ii) July 19, 2011 (iii) November 22, 2011 and (iv) February 1, 2012 and the details of attendance by the Committee Members are as follows:

Name of Director	No. of Policy Holder Protection Committee Meetings attended
Mr. Michael Goodwin	4
Mr. Rajesh Kapadia	2
Mr. Praveen Gupta	4
Mr. Vivek Saksena	1





(2) Foreign exchange earnings and outgo :

Foreign exchange earnings: INR 35,820 thousands

Foreign exchange expenditure: INR 29,040 thousands

## AUDITORS

M/s. Sudit K. Parekh & Co., Joint Statutory Auditor of the Company, holds office until the conclusion of the ensuing Annual General Meeting and has given consent for re-appointment. As per the requirement of the IRDA Guidelines, one of the Joint Statutory Auditors should have a term of four years in the first instance and cannot accept statutory audit assignment in your Company. As per the requirements, M/s. Contractor, Nayak and Kishnadwala, have expressed their inability to continue as a Joint Statutory Auditor of the Company.

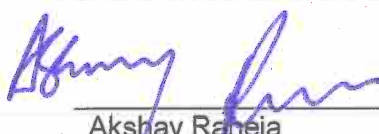
M/s. Uttam Abuwala & Co. Chartered Accountants, have expressed their willingness to be appointed as Joint Statutory Auditor of the Company, subject to the approval of shareholders.


Confirmations from the Auditors have been received to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956.

## ACKNOWLEDGEMENTS

The Board takes this opportunity to express its sincere appreciation for the assistance and co-operation received from Prism Cement Limited and QBE Holdings (AAP) Pty Ltd, the promoter companies, the Insurance Regulatory and Development Authority, various Central and State Government departments/agencies, banks and other business associates connected with the Company.

For and on behalf of the Board

  
Akshay Raneja  
Director

  
Michael Goodwin  
Director

# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

## MANAGEMENT REPORT

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

1. The registration certificate granted on 11th December, 2008 by Insurance Regulatory and Development Authority is valid. IRDA has renewed the registration for FY 2011-12.
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. There is no transfer of shares during the year.
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 margins under the Insurance Act, 1938 have 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 such as kind 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 2011-12 and ageing analysis of claims registered and not settled (excluding provision for IBNR/IBNER, claims relating to inward re-insurance from terrorism pool, the Indian Motor Third Party Insurance Pool and reinsurance recovered) is given in – Annexure I
10. We certify that the investments have been valued as per the Accounting Regulations of the Insurance Regulatory and Development Authority and are shown in the Balance Sheet. The market value of Debt securities is based on the procedure issued by Fixed Income Money Market and Derivatives Association of India (FIMMDA).
11. The Company's investment portfolio is in line with the Insurance Regulatory and Development Authority (IRDA) regulations and circulars and the internal guidelines set by the Investment committee. 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 31.73 % of investments are made in Government Securities, 12.47% in Housing Bond, 15.09% in Infrastructure Bonds and 40.71% in approved investments.

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

12. We also confirm that :

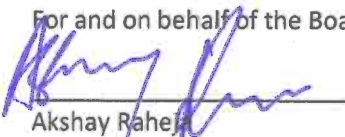
- a) In preparation of financial statements, the applicable accounting standards, principles and policies have been followed and there has been no material departure;
- b) The management has adopted accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2012 and Rs.57,994 (in thousands) profit of the Company for the year;
- c) The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938) / Companies Act, 1956 (1 of 1956) 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.

13. 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:

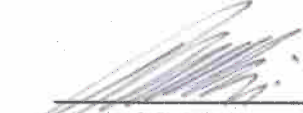
(Rs. '000)

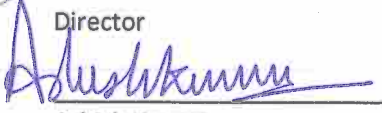
Sr. No	Entity to whom the payment is made	Name of the interested Director	Nature of interest	Amount paid	Nature of Payment
1.	Prism Cement Limited	Mr. Rajesh Kapadia	Chairman	5,062	Claim payment
		Mr. Akshay Raheja	Director	260	Leave and License fee
		Mr. Manoj Chhabra	Managing Director	300	Security Deposit
2.	QBE Re Services Pty Ltd.	Mr. Michael Goodwin	Director	14	Reimbursement of expenses
				478	Reimbursement of training expenses
3.	Windsor Realty Pvt. Ltd.	Mr. Akshay Raheja	Director	16,395	Leave and License fee
				20	Reimbursement of expenses
4.	G. M. Kapadia & Co.	Mr. Rajesh Kapadia	Partner	238	Professional fees

For and on behalf of the Board of Directors

  
Akshay Raheja  
Director

  
Praveen Gupta  
Chief Executive Officer  
& Managing Director

  
Michael Goodwin  
Director

  
Ashish Kumar  
Company Secretary

Mumbai,  
Dated: 26<sup>th</sup> April 2012



**ANNEXURE I - Average Claims Settlement Time and Ageing Analysis of Open Claims****Average Claims Settlement Time - FY 2011-12**

Line of Business	No. of Claims	Average Settlement Time (days)
Fire	2	456
Motor OD	7	122
Marine	3	196
Group Personal Accident	40	90
Miscellaneous	7	82

**Average Claims Settlement Time - FY 2010-11**

Line of Business	No. of Claims	Average Settlement Time (days)
Motor OD	12	90
Marine	1	59
Group Personal Accident	45	63
Miscellaneous	1	78
Engineering	1	39

**Average Claims Settlement Time - FY 2009-10**

Line of Business	No. of Claims	Average Settlement Time (days)
Motor OD	2	44
Motor TP	1	69
Group Personal Accident	3	53

**Ageing Analysis of Open Claims as on 31st March, 2012 (Rs'000)**

Line of Business	WCA		Marine		Engineering		Liability		Motor Own Damage		Motor TP Pool		Group Personal Accident		Misc.		Total	
	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt
0-30 days	1	55	0	0	2	595	0	0	0	0	1	3651	9	329	1	66	14	4696
31-180 days	3	49	1	36	1	155	4	520	3	190	2	320	8	491	1	2625	23	4386
181 days & above	0	0	2	676	2	3060	3	685	0	0	4	430	1	101	0	0	12	4952

**Ageing Analysis of Open Claims as on 31st March, 2011 (Rs'000)**

Line of Business	Fire		Marine		Engineering		Liability		Motor Own Damage		Motor TP Pool		Group Personal Accident		Total	
	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt
0-30 days	0	0	0	0	0	0	2	750	0	0	0	884	0	0	2	1634
31-180 days	0	0	1	205	0	0	1	60	1	4	1	105	3	161	7	535
181 days & above	2	4487	0	0	0	0	0	0	0	0	1	55	1	101	4	4643

**Ageing Analysis of Open Claims as on 31st March, 2010 (Rs'000)**

Line of Business	Fire		Marine		Engineering		Liability		Motor Own Damage		Group Personal Accident		Total	
	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt
0-30 days	0	0	0	0	0	0	0	0	1	39	10	273	11	312
31 days - 6 months	0	0	0	0	0	0	0	0	2	260	5	125	7	415



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

BALANCE SHEET AS AT 31ST MARCH, 2012

		(Rs. '000)	
Particulars	Schedule	31.03.2012	31.03.2011
<b>Sources of Funds</b>			
Share Capital	5	2,070,000	2,070,000
Share Application Money	-	-	-
Reserves and Surplus	6	-	-
Fair Value Change Account	-	700	110
Borrowings	7	-	-
<b>Total</b>		<b>2,070,700</b>	<b>2,070,110</b>
<b>Application of Funds</b>			
Investments	8	2,001,308	1,817,479
Loans	9	-	-
Fixed Assets	10		
Gross Block		43,897	38,894
Less: Accumulated Depreciation		25,789	17,632
Net Block		18,108	21,262
Deferred Tax Asset		327	-
Current Assets			
Cash and Bank Balances	11	8,615	2,241
Advances and Other Assets	12	64,511	74,716
<b>Sub-Total (A)</b>		<b>73,126</b>	<b>76,957</b>
Current Liabilities	13	91,887	44,871
Provisions	14	94,899	23,329
<b>Sub-Total (B)</b>		<b>186,786</b>	<b>68,199</b>
<b>Net Current Assets (C = A - B)</b>		<b>(113,660)</b>	<b>8,758</b>
Miscellaneous Expenditure	15	-	-
(to the extent not written off or adjusted)			
Debit balance in Profit and Loss Account		164,617	222,611
<b>Total</b>		<b>2,070,700</b>	<b>2,070,110</b>
Significant Accounting Policies & Notes to Accounts	16		

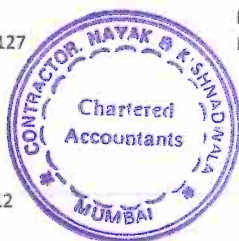
The Schedules referred to above form an integral part of Financial Statements.

As per our Report of even date attached.

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
Firm Registration No. 101961W

  
G.S. Nayak

Partner  
Membership No. 38127



For Sudit K. Parekh & Co.  
Chartered Accountants  
Firm Registration No. 110512W

  
Raman Jokhakar

Partner  
Membership No. 103241



For and on behalf of the Board of Directors

  
Akshay Raheja

Director

  
Michael Goodwin

Director

Mumbai,  
Date: 26th April, 2012

  
Praveen Gupta  
Chief Executive Officer  
& Managing Director

  
Ashish Kumar  
Company Secretary

Mumbai,  
Date: 26th April, 2012



IRDA Registration No. 141 dated 11th December, 2008

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012**

(Rs.'000)

Particulars	Schedule	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>1. Operating Profit / (Loss) transferred from</b>			
<b>Revenue Account</b>			
a. Fire Insurance		(10,646)	(31,480)
b. Marine Insurance		(1,314)	(4,990)
c. Miscellaneous Insurance		(76,901)	(88,861)
			(140,977)
<b>2. Income from Investments</b>			
a) Interest, Dividend & Rent – Gross		146,140	117,303
b) Profit on sale/redemption of investments		3,306	2,074
Less: loss on sale of investments		-	149,446
<b>Profit / (Loss) on Sale of Assets</b>		105	(13,075)
<b>3. Other Income</b>			
<b>TOTAL (A)</b>		<b>60,690</b>	<b>(71,145)</b>
<b>4. Provisions (other than taxation)</b>			
a) For diminution in the value of investment		-	-
b) For doubtful debts		-	-
c) Others		-	-
<b>5. Other Expenses</b>			
a) Expenditure other than those related to Insurance Business	4A	3,036	1,579
b) Bad debts written off		-	-
c) Others		3,036	1,579
<b>TOTAL (B)</b>		<b>3,036</b>	<b>1,579</b>
<b>Profit/ (Loss) Before Tax</b>		<b>57,654</b>	<b>(72,723)</b>
<b>Provision for Taxation</b>			
Current Tax		-	-
Excess provision written back		(13)	-
Deferred Tax		(327)	-
Wealth Tax		(340)	-
<b>Net Profit/ (Loss) After Tax</b>		<b>57,994</b>	<b>(72,723)</b>
<b>Appropriations</b>			
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		(222,611)	(149,888)
<b>Balance carried forward to Balance Sheet</b>		<b>(164,617)</b>	<b>(222,611)</b>
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	16		
<b>Basic &amp; Diluted Earning per Share (Face value per share Rs.10)</b>		<b>0.28</b>	<b>(0.35)</b>
Refer note no.21 of Schedule 16			

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

As per our Report of even date attached.

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
Firm Registration No. 101961W

For Sudit K. Parekh & Co.  
Chartered Accountants  
Firm Registration No. 110512W

For and on behalf of the Board of Directors

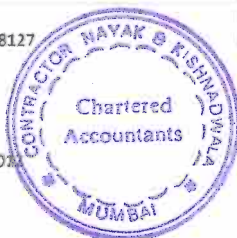
G.S.Nayak  
Partner  
Membership No. 38127

Raman Jokhakar  
Partner  
Membership No. 103241

Akshay Raheja  
Director

Michael Goodwin  
Director

Mumbai,  
Date: 26th April, 2012



Praveen Gupta  
Chief Executive Officer  
& Managing Director

Mumbai,  
Date: 26th April, 2012

Ashish Kumar  
Company Secretary



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

(Rs '000)

Particulars	Schedule	For the year ended 31.03.2012				For the year ended 31.03.2011			
		Fire	Marine	Miscellaneous	Total	Fire	Marine	Miscellaneous	Total
Premiums earned (Net)	1	4,851	610	73,893	79,354	(9,416)	(2,609)	(5,507)	(17,532)
Profit / Loss on sale/redemption of Investments		25	1	232	258	8	1	41	50
Others - Foreign Exchange Gain / (Loss)		(26)	-	2,500	2,474	-	-	567	567
Interest, Dividend & Rent - Gross		1,097	25	10,271	11,393	1,517	40	2,713	4,270
<b>TOTAL (A)</b>		<b>5,947</b>	<b>636</b>	<b>86,895</b>	<b>93,479</b>	<b>(7,891)</b>	<b>(2,568)</b>	<b>(2,186)</b>	<b>(12,645)</b>
Claims Incurred (Net)	2	3,171	1,191	37,321	41,683	691	339	17,286	18,316
Commission	3	(719)	182	14,386	13,849	(380)	51	3,910	3,581
Operating Expenses related to Insurance Business	4	11,973	276	112,090	124,339	23,278	2,032	117,595	142,905
Premium Deficiency Reserve		2,168	301	-	2,469	-	-	-	-
<b>TOTAL (B)</b>		<b>16,593</b>	<b>1,950</b>	<b>163,797</b>	<b>182,340</b>	<b>23,589</b>	<b>2,422</b>	<b>138,791</b>	<b>164,802</b>
Operating Profit/(Loss) from Fire/ Marine/ Miscellaneous Business C = (A - B)		(10,646)	(1,314)	(76,901)	(88,861)	(31,480)	(4,990)	(140,977)	(177,447)
<b>Appropriations</b>									
Transfer to Shareholder's Account		-	-	-	-	-	-	-	-
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-	-
<b>TOTAL (C)</b>		<b>(10,646)</b>	<b>(1,314)</b>	<b>(76,901)</b>	<b>(88,861)</b>	<b>(31,480)</b>	<b>(4,990)</b>	<b>(140,977)</b>	<b>(177,447)</b>

As required by Section 40C of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of General Insurance business transactions in India by the Company have been fully recognised in the revenue account as expenses

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

As per our Report of even date attached.


For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
Firm Registration No. 101961W

For Sudit K. Parekh & Co.  
Chartered Accountants  
Firm Registration No. 110512W

For and on behalf of the Board of Directors

  
G.S. Nayak  
Partner  
Membership No. 38127

  
Raman Jokhakar  
Partner  
Membership No. 103241

  
Akshay Raheja  
Director

  
Michael Goodwin  
Director

Mumbai,  
Date: 26th April, 2012



  
Praveen Gupta  
Chief Executive Officer  
& Managing Director

  
Ashish Kumar  
Company Secretary

Mumbai,  
Date: 26th April, 2012



# 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, 2012

### Schedule- 1

#### Premium Earned (Net)

(Rs '000)

Particulars	Year	Premium from direct business written	Premium on reinsurance 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	2011-12	5,421	16,564	16,692	5,293	442	4,851
	2010-11	2,493	11,846	23,391	(9,052)	364	(9,416)
Marine Cargo	2011-12	269	238	(261)	768	158	610
	2010-11	331	920	3,602	(2,350)	260	(2,609)
Marine Hull	2011-12	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-
Marine Total	2011-12	269	238	(261)	768	158	610
	2010-11	331	920	3,602	(2,350)	260	(2,609)
Motor (OD)	2011-12	2,005	-	561	1,444	(177)	1,621
	2010-11	1,621	-	3,524	(1,903)	266	(2,168)
Motor (TP)	2011-12	1,404	16,114	1,404	16,114	6,386	9,728
	2010-11	824	4,553	574	4,803	1,669	3,134
Employer's Liability	2011-12	1,460	-	409	1,051	390	661
	2010-11	481	-	138	343	15	328
Public Liability	2011-12	9,917	1,094	3,243	7,768	(101)	7,869
	2010-11	11,303	1,971	8,522	4,751	3,776	975
Other Liability	2011-12	68,910	45,571	45,295	69,186	36,430	32,756
	2010-11	24,075	17,104	38,574	2,605	8,912	(6,307)
Engineering	2011-12	3,134	873	1,856	2,151	(111)	2,262
	2010-11	3,862	651	6,355	(1,842)	835	(2,677)
Aviation	2011-12	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-
Personal Accident	2011-12	5,036	-	1,410	3,626	830	2,796
	2010-11	3,442	2,018	3,567	1,893	879	1,014
Health	2011-12	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-
All Risk	2011-12	49,674	-	9,526	40,148	24,362	15,786
	2010-11	31	-	14	17	2	15
Other Misc.	2011-12	626	-	175	451	37	414
	2010-11	502	-	241	260	80	180
Misc Total	2011-12	142,166	63,652	63,879	141,939	68,046	73,893
	2010-11	46,139	26,297	61,510	10,926	16,433	(5,507)
Total	2011-12	147,856	80,454	80,310	148,000	68,646	79,354
	2010-11	48,963	39,063	88,503	(476)	17,057	(17,532)





# 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, 2012

### Schedule - 2

#### Claims Incurred (Net)

(Rs '000)

Particulars	Year	Claims Paid from direct business written	Claims Paid on re-in-surance accepted	Claims Recovered on re-in-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	2011-12	2,885	704	3,048	541	3,524	894	3,171
	2010-11	-	557	650	(93)	894	110	691
Marine Cargo	2011-12	900	1	90	811	769	389	1,191
	2010-11	7	-	1	6	389	55	339
Marine Hull	2011-12	-	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-	-
Marine Total	2011-12	900	1	90	811	769	389	1,191
	2010-11	7	-	1	6	389	55	339
Motor (OD)	2011-12	550	-	55	495	576	714	357
	2010-11	1,366	-	174	1,192	714	874	1,032
Motor (TP)	2011-12	-	624	-	624	20,613	4,281	16,956
	2010-11	-	132	-	132	4,281	505	3,908
Employer's Liability	2011-12	-	-	-	-	258	206	52
	2010-11	-	-	-	-	206	116	90
Public Liability	2011-12	-	-	-	-	3,349	3,443	(94)
	2010-11	-	-	-	-	3,443	191	3,252
Other Liability	2011-12	60	-	6	54	13,875	9,172	4,757
	2010-11	-	-	-	-	9,172	1,666	7,505
Engineering	2011-12	3	9	209	(197)	3,519	470	2,852
	2010-11	2	6	0	8	470	15	463
Aviation	2011-12	-	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-	-
Personal Accident	2011-12	5,142	-	615	4,527	1,515	946	5,096
	2010-11	1,995	415	1,442	968	946	932	982
Health	2011-12	-	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-	-
All Risk	2011-12	1,382	-	138	1,244	6,052	-	7,296
	2010-11	-	-	-	-	-	-	-
Other Misc.	2011-12	19	-	2	17	100	68	49
	2010-11	10	-	1	9	68	24	53
Misc Total	2011-12	7,156	633	1,025	6,764	49,857	19,300	37,321
	2010-11	3,373	553	1,617	2,310	19,300	4,323	17,286
Total	2011-12	10,941	1,338	4,163	8,116	54,150	20,583	41,683
	2010-11	3,380	1,110	2,268	2,223	20,583	4,488	18,316



# 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, 2012

### Schedule – 3

#### Commission (Net)

(Rs '000)

Particulars	Year	Commission paid on direct business	Commission paid on reinsurance accepted	Commission received from reinsurance ceded	Net commission
1	2	3	4	5	6
Fire	2011-12	283	1,371	2,373	(719)
	2010-11	169	591	1,140	(380)
Marine Cargo	2011-12	46	32	(104)	182
	2010-11	56	111	116	51
Marine Hull	2011-12	-	-	-	-
	2010-11	-	-	-	-
Marine Total	2011-12	46	32	(104)	182
	2010-11	56	111	116	51
Motor (OD)	2011-12	200	-	40	160
	2010-11	187	-	37	150
Motor (TP)	2011-12	-	-	-	-
	2010-11	-	-	-	-
Employer's Liability	2011-12	124	-	36	88
	2010-11	57	-	9	48
Public Liability	2011-12	1,309	109	391	1,027
	2010-11	1,257	293	795	755
Other Liability	2011-12	8,840	3,894	6,238	6,496
	2010-11	3,865	3,000	4,808	2,057
Engineering	2011-12	300	-	238	62
	2010-11	351	-	292	59
Aviation	2011-12	-	-	-	-
	2010-11	-	-	-	-
Personal Accident	2011-12	60	-	51	9
	2010-11	107	712	41	777
Health	2011-12	-	-	-	-
	2010-11	-	-	-	-
All Risk	2011-12	7,452	-	993	6,459
	2010-11	5	-	1	4
Other Misc.	2011-12	96	-	11	85
	2010-11	69	-	9	60
Misc Total	2011-12	18,381	4,003	7,998	14,386
	2010-11	5,898	4,005	5,992	3,910
Total	2011-12	18,710	5,406	10,267	13,849
	2010-11	6,123	4,707	7,249	3,581

## SCHEDULE 10 : FIXED ASSETS

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(Rs '000)

PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 1-Apr-11	Addi- tions	Deduc- tions	As at 31-Mar-12	Up to 1-Apr-11	For the Period	Deductions/ Adjustments	Up to 31-Mar-12	As at 31-Mar-12	As at 31-Mar-11
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles - Computer Software	8,021	826	-	8,847	3,768	2,459	-	6,227	2,620	4,253
Land - Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	11,120	-	-	11,120	2,165	1,855	-	4,020	7,100	8,955
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	3,726	193	-	3,919	651	238	-	889	3,030	3,075
Information Technology Equipment	11,726	4,269	807	15,188	8,631	3,452	807	11,276	3,912	3,094
Vehicles	1,974	-	-	1,974	1,117	396	-	1,513	461	857
Office Equipment	2,208	81	-	2,289	1,298	566	-	1,864	425	909
Others	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>38,775</b>	<b>5,369</b>	<b>807</b>	<b>43,337</b>	<b>17,630</b>	<b>8,966</b>	<b>807</b>	<b>25,789</b>	<b>17,548</b>	<b>21,143</b>
Work-in-progress	-	560	-	560	-	-	-	-	560	119
<b>GRAND TOTAL</b>	<b>38,775</b>	<b>5,929</b>	<b>807</b>	<b>43,897</b>	<b>17,630</b>	<b>8,966</b>	<b>807</b>	<b>25,789</b>	<b>18,108</b>	<b>21,262</b>
Previous Year	52,811	12,486	26,523	38,775	17,449	13,134	12,953	17,630	21,143	35,363





# 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, 2012

Schedule - 3A

Commission Paid - Direct

(Rs '000)

Particulars	Year	Agents	Brokers	Corporate Agency	Referral	Others	Total
1	2	3	4	5	6	7	8
Fire	2011-12	-	283	-	-	-	283
	2010-11	-	169	-	-	-	169
Marine Cargo	2011-12	-	46	-	-	-	46
	2010-11	-	56	-	-	-	56
Marine Hull	2011-12	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-
Marine Total	2011-12	-	46	-	-	-	46
	2010-11	-	56	-	-	-	56
Motor (OD)	2011-12	-	200	-	-	-	200
	2010-11	-	187	-	-	-	187
Motor (TP)	2011-12	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-
Employer's Liability	2011-12	-	124	-	-	-	124
	2010-11	-	57	-	-	-	57
Public Liability	2011-12	-	1,309	-	-	-	1,309
	2010-11	-	1,257	-	-	-	1,257
Other Liability	2011-12	-	8,840	-	-	-	8,840
	2010-11	-	3,865	-	-	-	3,865
Engineering	2011-12	-	300	-	-	-	300
	2010-11	-	351	-	-	-	351
Aviation	2011-12	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-
Personal Accident	2011-12	-	60	-	-	-	60
	2010-11	-	107	-	-	-	107
Health	2011-12	-	-	-	-	-	-
	2010-11	-	-	-	-	-	-
All Risk	2011-12	-	7,452	-	-	-	7,452
	2010-11	-	5	-	-	-	5
Other Misc.	2011-12	-	96	-	-	-	96
	2010-11	-	69	-	-	-	69
Misc Total	2011-12	-	18,381	-	-	-	18,382
	2010-11	-	5,898	-	-	-	5,898
Total	2011-12	-	18,710	-	-	-	18,710
	2010-11	-	6,123	-	-	-	6,123

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012									
2011-12					2010-11				
Schedule - 4	Fire	Marine	Miscellaneous*	Total	Fire	Marine	Miscellaneous *	Total	
<b>Expenditure related to Insurance Business</b>									
Employees' remuneration & welfare benefits	6,291	145	58,892	65,328	8,005	699	40,442	49,146	
Travel, conveyance and vehicle running expenses	466	11	4,367	4,844	539	47	2,723	3,308	
Training Expenses	86	2	803	891	93	8	472	573	
Rents, rates & taxes	2,144	49	20,069	22,262	9,818	857	49,601	60,276	
Repairs	208	5	1,948	2,161	312	27	1,576	1,915	
Printing & Stationery	42	1	394	437	103	9	520	632	
Communication Expenses	322	7	3,013	3,342	307	27	1,551	1,885	
Legal & professional charges	464	11	4,340	4,815	580	51	2,930	3,560	
Auditor's fees, expenses etc.									
a) As auditor	71	2	663	736	114	10	574	698	
b) As adviser or in any other capacity, in respect of									
i) Taxation matters	11	-	104	115	21	2	107	130	
ii) Insurance matters	-	-	-	-	-	-	-	-	
iii) Management Services and	-	-	-	-	-	-	-	-	
c) in any other capacity	6	-	54	60	12	1	62	75	
Advertisement and Publicity	164	4	1,538	1,706	113	10	573	696	
Interest and Bank Charges	7	-	63	70	7	1	34	41	
Others									
a) Office maintenance expenses	359	8	3,365	3,732	555	48	2,804	3,408	
b) Subscriptions and membership fees	141	3	1,316	1,460	189	17	956	1,162	
c) Miscellaneous expenses	247	6	2,315	2,568	204	18	1,033	1,255	
d) Entertainment Expenses	82	2	763	847	164	14	831	1,009	
Depreciation	863	20	8,082	8,965	2,140	187	10,809	13,136	
<b>TOTAL</b>	<b>11,974</b>	<b>276</b>	<b>112,089</b>	<b>124,339</b>	<b>23,277</b>	<b>2,032</b>	<b>117,596</b>	<b>142,905</b>	

* Miscellaneous	2011-12												2010-11												(Rs '000)
	Motor (OD)	Motor (TP)	Employer's Liability	Public Liability	Other Liability	Engineering	Aviation	Personal Accident	Health	All Risk	Other Misc.	Total	Motor (OD)	Motor (TP)	Employer's Liability	Public Liability	Other Liability	Engineering	Aviation	Personal Accident	Health	All Risk	Other Misc.	Total	
Employees' remuneration & welfare benefits	574	5,013	418	3,151	32,756	1,146		1,441		14,214	179	58,892	905	3,002	268	7,411	22,991	2,519		3,048		17	280	40,442	
Travel, conveyance and vehicle running expenses	43	372	31	234	2,428	85		107		1,054	13	4,367	61	202	18	499	1,548	170		205		1	19	2,723	
Training Expenses	8	68	6	43	446	16		20		194	2	803	11	35	3	86	268	29		36			3	472	
Rents, rates & taxes	195	1,708	142	1,074	11,163	391		491		4,844	61	20,069	1,110	3,682	329	9,089	28,197	3,090		3,739		21	343	49,601	
Repairs	19	166	14	104	1,083	38		48		470	6	1,948	35	117	10	289	896	98		119		1	11	1,576	
Printing & Stationery	4	34	3	21	218	8		10		95	1	394	12	39	3	95	296	32		39			4	520	
Communication Expenses	29	256	21	161	1,677	59		74		727	9	3,013	35	115	10	284	882	97		117			11	1,551	
Legal & professional charges	42	369	31	232	2,415	84		106		1,048	13	4,340	63	210	19	519	1,609	176		213		1	20	2,832	
Auditor's fees, expenses etc.																									
a) As auditor	6	56	5	35	370	13		16		160	2	663	15	50	4	123	383	42		51			4	672	
b) As adviser or in any other capacity, in respect of																									
i) Taxation matters	1	9	1	6	57	2		3		25		104	2	8	1	20	61	7		8			1	107	
ii) Insurance matters																									
iii) Management Services and																									
c) In any other capacity	1	5		3	30	1		1		13		54	1	5		11	35	4		5				62	
Advertisement and Publicity	15	131	11	82	855	30		38		371	5	1,538	13	42	4	105	325	36		43			4	573	
Interest and Bank Charges	1	5		3	36	1		2		15		63	1	3		6	19	2		3				34	
Others																									
a) Office maintenance expenses	33	286	24	180	1,873	65		82		812	10	3,365	63	208	19	514	1,594	175		211		2	19	2,805	
b) Subscriptions and membership fees	13	112	9	70	732	26		32		318	4	1,316	21	71	6	175	543	60		72			7	956	
c) Miscellaneous expenses	23	197	16	124	1,287	45		57		559	7	2,315	23	77	7	189	587	64		78		1	7	1,033	
d) Entertainment Expenses	7	65	5	41	425	15		19		184	2	763	19	62	6	152	472	52		63			6	831	
Depreciation	79	688	57	432	4,495	157		198		1,951	25	8,082	242	802	72	1,981	6,145	673		815		5	75	10,809	
TOTAL	1,093	9,540	794	5,996	62,346	2,182		2,745		27,054	339	112,089	2,632	8,729	780	21,548	66,852	7,326		8,864		51	814	117,596	





# 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, 2012

(Rs '000)

Schedule - 4A	2011-12	2010-11
<b>Expenditure other than those related to Insurance Business</b>		
Employees' remuneration & welfare benefits	2,391	1,092
Travel, conveyance and vehicle running expenses	-	-
Training Expenses	-	-
Rents, rates & taxes	-	-
Repairs	-	-
Printing & Stationery	-	-
Communication	-	-
Legal & professional charges	355	250
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	290	237
Others		
a) Office maintenance expenses	-	-
b) Recruitment & Training expenses	-	-
c) Subscriptions and membership fees	-	-
d) Miscellaneous expenses	-	-
e) Entertainment Expenses	-	-
Depreciation	-	-
<b>TOTAL</b>	<b>3,036</b>	<b>1,579</b>

**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, 2012

(Rs '000)

Schedule - 5	As at 31.03.2012	As at 31.03.2011
Share Capital		
Authorised Capital		
22,00,00,000 ( Previous year 22,00,00,000 ) Equity Shares of Rs10 each	2,200,000	2,200,000
Issued Capital		
20,70,00,000 ( Previous year 20,70,00,000 ) Equity Shares of Rs10 each fully paid up	2,070,000	2,070,000
Subscribed Capital		
20,70,00,000 ( Previous year 20,70,00,000 ) Equity Shares of Rs10 each fully paid up	2,070,000	2,070,000
Called up Capital		
20,70,00,000 ( Previous year 20,70,00,000 ) Equity Shares of Rs10 each fully paid up	2,070,000	2,070,000
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	2,070,000	2,070,000

Note: Of the above 153,180,000 (Previous year 153,180,000) shares are held by the holding company Prism Cement Limited.



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, 2012

Schedule - 5A	As at 31.03.2012		As at 31.03.2011	
Pattern of Share Holding (As certified by the Management)				
Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters				
-Indian	153,180,000	74%	153,180,000	74%
-Foreign	53,820,000	26%	53,820,000	26%
Others	-	-	-	-
Total	207,000,000	100%	207,000,000	74%

(Rs '000)

Schedule - 6	As at 31.03.2012		As at 31.03.2011
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		-	-
Total		-	-

(Rs '000)

Schedule - 7	As at 31.03.2012		As at 31.03.2011
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, 2012

(Rs.'000)

Schedule - 8	As at 31.03.2012	As at 31.03.2011
<b>Investments</b>		
<b>Long Term Investments</b>		
Government securities and Government guaranteed bonds including Treasury Bills	146,557	145,479
Other Approved Securities	-	-
Other Investments	-	-
a) Shares	-	-
aa) Equity	-	-
bb) Preference	-	-
b) Mutual Funds	-	-
c) Derivative Instruments	-	-
d) Debentures/ Bonds	249,574	151,389
e) Other Securities	-	-
f) Subsidiaries	-	-
g) Investment Properties - Real Estate	-	-
Investments in Infrastructure and Social Sector	201,708	202,663
Other than Approved Investments	-	-
<b>Total (A)</b>	<b>597,839</b>	<b>499,531</b>
<b>Short Term Investments</b>		
Government securities and Government guaranteed bonds including Treasury Bills	488,370	439,253
Other Approved Securities	-	-
Other Investments	-	-
a) Shares	-	-
aa) Equity	-	-
bb) Preference	-	-
b) Mutual Funds	46,064	19,926
c) Derivative Instruments	-	-
d) Debentures/ Bonds	50,170	50,079
e) Other Securities	-	-
i) Fixed Deposits	200,000	184,000
ii) Certificate of Deposits	518,511	624,691
f) Subsidiaries	-	-
g) Investment Properties - Real Estate	-	-
Investments in Infrastructure and Social Sector	100,354	-
Other than Approved Investments	-	-
<b>Total (B)</b>	<b>1,403,469</b>	<b>1,317,949</b>
<b>Total (A+B)</b>	<b>2,001,308</b>	<b>1,817,479</b>

Notes:

1. Aggregate book value of investments other than listed equity shares is Rs. 2,001,308 thousands. (Previous year Rs. 1,817,479 thousands)
2. Aggregate market value of investments other than listed equity shares is Rs.1,992,224 thousands. (Previous year Rs.1,809,157 thousands)
3. Government Securities include Rs. 97,704 thousands (previous year Rs. 96,986 thousand) as at 31st March, 2012, Deposit u/s 7 of the Insurance Act, 1938.
4. Investments of Rs. 1,403,469 thousands (previous year Rs. 1,317,949 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, 2012

(Rs. '000)

Schedule - 9	As at 31.03.2012		As at 31.03.2011
<b>Loans</b>			
<b>Security-wise classification</b>			
Secured			
a) On mortgage of property			
aa) In India		-	-
bb) Outside India		-	-
b) On Shares, Bonds, Government Securities		-	-
c) Others		-	-
Unsecured			
<b>Total</b>		-	-
<b>Borrower-wise classification</b>			
a) Central and State Government		-	-
b) Banks and Financial Institutions		-	-
c) Subsidiaries		-	-
d) Industrial Undertakings		-	-
e) Others		-	-
<b>Total</b>		-	-
<b>Performance wise classification</b>			
a) Loans classified as standard			
aa) In India		-	-
bb) Outside India		-	-
b) Non-performing loans less provisions			
aa) In India		-	-
bb) Outside India		-	-
<b>Total</b>		-	-
<b>Maturity wise classification</b>			
a) Short Term		-	-
b) Long Term		-	-
<b>Total</b>		-	-

(Rs. '000)

Schedule - 11	As at 31.03.2012		As at 31.03.2011
<b>Cash and Bank Balances</b>			
Cash (including cheques, drafts and stamps)		-	-
<b>Bank Balances</b>			
a) Deposit Accounts			
aa) Short Term (due with in 12 months)		-	-
bb) Others		-	-
b) Current Accounts		8,615	2,241
c) Others			
<b>Money at Call and Short Notice</b>			
a) with Banks		-	-
b) with other Institutions		-	-
Others			
<b>Total</b>		8,615	2,241
Balances with non scheduled banks included in above		-	-

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

(Rs. '000)

Schedule - 12	As at 31.03.2012		As at 31.03.2011
<b>Advances and Other Assets</b>			
Advances			
Reserve deposits with ceding companies	-		-
Application Money for investments	-		-
Prepayments	3,348		2,669
Advance to Directors/Officers	-		-
Advance tax paid and taxes deducted at source (Net of provision for taxation)	636		623
Others			
a) Service Tax Input Credit (Net of Service Tax payable)	9,679		21,828
b) Advance to employees	35		100
c) Other Advances	-		843
<b>Total (A)</b>		<b>13,698</b>	<b>26,063</b>
<b>Other Assets</b>			
Income accrued on investments	30,200		21,962
Outstanding Premiums	-		-
Agent's balances	-		-
Foreign agencies balances	-		-
Due from other entities carrying on insurance business (including reinsurers)	4,351		6,847
Due from Subsidiaries/holding	-		-
Deposit with Reserve Bank of India pursuant to section 7 of Insurance Act, 1938	-		-
Others - Rental Deposits	16,192		19,603
Other Deposits	70		242
<b>Total (B)</b>		<b>50,813</b>	<b>48,654</b>
<b>Total (A+B)</b>		<b>64,511</b>	<b>74,716</b>

(Rs. '000)

Schedule - 13	As at 31.03.2012		As at 31.03.2011
<b>Current Liabilities</b>			
Agents' Balances		1,639	2,950
Balances due to other insurance companies		10,005	3,469
Deposits held on re-insurance ceded		-	-
Premium received in Advance		5,568	56
Unallocated Premium		2,171	282
Sundry creditors		18,355	17,526
Due to subsidiaries/holding company		-	-
Claims Outstanding		54,148	20,583
Due to Officers/Directors		-	-
Dues to Policyholders		1	5
Others		-	-
<b>Total</b>		<b>91,887</b>	<b>44,871</b>

(Rs. '000)

Schedule - 14	As at 31.03.2012		As at 31.03.2011
<b>Provisions</b>			
Reserve for Unexpired Risk		90,588	21,946
Reserve for Premium Deficiency		2,469	-
For taxation (less advance tax paid and taxes deducted at source)		-	-
For Proposed Dividend		-	-
For Dividend distributions tax		-	-
Others - Provision for Employee Benefits		1,842	1,383
<b>Total</b>		<b>94,899</b>	<b>23,329</b>

(Rs. '000)

Schedule - 15	As at 31.03.2012		As at 31.03.2011
<b>Miscellaneous Expenditure (To the extent not written off or adjusted)</b>			
Discount allowed in issue of shares/ debentures		-	-
Others		-	-
<b>Total</b>		<b>-</b>	<b>-</b>



RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

(Rs. '000)

	Year ended 31st March, 2012	Year ended 31st March, 2011
<b>Cash flows from operating activities</b>		
Premium received including advance premium & Service tax	244,901	79,702
Payment to Reinsurers net of claims & commissions	(50,239)	(82,406)
Receipt/payment to coinsurers net of claims recovery	(373)	(20)
Claims paid	(10,941)	(4,490)
Commission paid	(20,019)	(8,212)
Payment of Other Operating Expenses	(117,013)	(127,616)
Service tax paid	(10,160)	(19,871)
Fringe Benefit Tax Paid	-	-
Income tax paid	-	402
Wealth tax paid	-	-
Deposit Receipt (decrease in deposit)	3,583	17,743
Miscellaneous Income	-	567.24
<b>Net Cash Flow from Operating Activities</b>	<b>39,739</b>	<b>(144,202)</b>
<b>Cash flows from investing activities</b>		
Purchase of investments (Net)	(3,379,118)	(2,762,970)
Sale of Investments (including gain/loss)	3,282,735	2,780,370
Purchase of fixed Assets	(5,929)	(12,486.03)
Sale of Fixed Assets (including gain/loss)	105	495.00
Interest, Dividends received	68,841	139,373
<b>Net Cash Flow from Investing Activities</b>	<b>(33,365)</b>	<b>144,782</b>
<b>Cash flows from financing activities</b>		
Capital infusion	-	-
Share Application Money received	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase / Decrease in Cash &amp; Cash equivalents</b>	<b>6,374</b>	<b>580</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>2,241</b>	<b>1,661</b>
<b>Cash and cash equivalents at the end of year</b>	<b>8,615</b>	<b>2,241</b>

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

As per our Report of even date attached.

For Contractor, Nayak & Kishnadwala  
Chartered Accountants  
Firm Registration No. 101961W

G.S.Nayak  
Partner  
Membership No. 38127



Mumbai,  
Date: 26th April 2012

For Sudit K. Parekh & Co.  
Chartered Accountants  
Firm Registration No. 110512W

Raman Jokhakar  
Partner  
Membership No. 103241



For and on behalf of the Board of Directors

Akshay Raheja  
Director

Michael Goodwin  
Director

Praveen K. Mehta  
Chief Executive Officer  
& Managing Director

Ashish Kumar  
Company Secretary

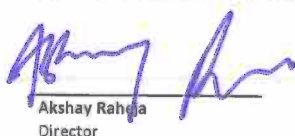
Mumbai,  
Date: 26th April 2012

Balance Sheet Abstract and Company's general business profile for the year ended 31st March, 2011

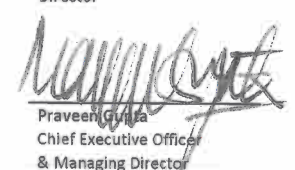
I.	Registration Details	State Code :	11
	Registration No.	U66030MH2007PLC173129	
	Balance Sheet Date	Date	Month
		31	3
		2012	
II.	Capital raised during the period (Amounts in Rs. thousands)		
	Public Issue		Rights Issue
	Nil		Nil
	Bonus Issue		Private Placement
	Nil		Nil
III.	Position of Mobilisation and Deployment of Funds (Amounts in Rs. thousands)		
	Total Liabilities		Total Assets
	1,906,083		1,906,083
	Sources of Funds		Reserves & Surplus
	Paid-up Capital		(163,917)
	2,070,000		
	Loans		Deferred Tax Liability
	Nil		Nil
	Application of Funds		Investments
	Net Fixed Assets		2,001,308
	18,108		
	Net Current Assets		Miscellaneous Expenditure
	(113,660)		-
IV.	Performance of Company (Amount in Rs. thousands)		
	Total Revenue		Total Expenditure
	391,984		334,330
	Profit/Loss before Tax (tick appropriate box + for Profit, - for Loss)		Profit/(Loss) after Tax
	+ 57,654		+ 57,994
	Earning Per Share in Rs.		Dividend rate %
	- (0.28)		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 VI. 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.

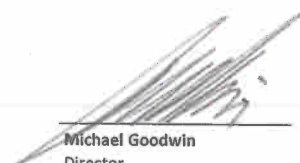
For and on behalf of the Board of Directors



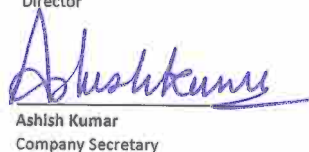
Akshay Rahja  
Director



Praveen Gupta  
Chief Executive Officer  
& Managing Director



Michael Goodwin  
Director



Ashish Kumar  
Company Secretary

Mumbai  
Date: 26th April 2012



**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**

**IRDA Registration No. 141 dated 11<sup>th</sup> December, 2008**

**Schedule 16:**

Significant Accounting policies and Notes forming part of financial statements for the year ended 31<sup>st</sup> March, 2012:

**1. Background:**

Raheja QBE General Insurance Company Limited ('the Company') was incorporated on 14<sup>th</sup> August, 2007, as a Company registered under the Companies Act, 1956. The Company is a 74:26 Joint venture between Prism Cement Limited and QBE Holdings (AAP) Pty Ltd. The Company is registered with Insurance Regulatory and Development Authority ('IRDA') and obtained its license on 11<sup>th</sup> December, 2008.

**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, 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 Companies Act, 1956 ('The Act') to the extent applicable and comply with the notified accounting standards under The Companies Accounting Standards Rules, 2006, 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 reported amounts of assets and liabilities, revenue and expense and disclosure of contingent liabilities. 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 service tax), on direct business and reinsurance accepted, is recognized as income over the contract period or the period of risk, whichever is appropriate. Any subsequent revision to or cancellation is recognized in year in which they occur.

**Commission on Reinsurance Ceded:**

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

Profit commission under reinsurance treaties wherever applicable, is recognized on accrual. 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.

**2.4 Reinsurance Ceded**

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

**2.5 Reinsurance Accepted**

Reinsurance inward acceptances are accounted 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 calculated by line of business.

**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 in respect of policies issued during the year, where the risk commences only subsequent to the balance sheet date.

**2.9 Reserved 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, subject to a minimum of 100% in case of Marine Hull business and 50% in case of other businesses based on net premium written during the year as required under Section 64V(1)(ii)(b) of the Insurance Act, 1938.



## **2.10 Claims Incurred**

Claims are recognized as and when reported. 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 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 the Appointed Actuary.

## **2.12 Contribution to The Indian Motor Third Party Insurance Pool (IMTPIP)**

In accordance with the directions of IRDA, the company together with the other general insurance companies participates in the Indian Motor Third Party Insurance Pool (IMTPIP). The IMTPIP is administered by the General Insurance Corporation of India (GIC). The IMTPIP covers reinsurance of third party risks of specified commercial motor vehicles. The company has ceded 100% of the third party premium collected to the pool. The company's share of premium, claims, reinsurance commission and expenses of pool is recorded as inward reinsurance business, based on returns submitted by GIC, under the respective heads of income or expense as the case may be and included within the Motor Third Party sub-segment of the Miscellaneous Revenue Account. Accordingly, such share has been recorded by the company up to 29<sup>th</sup> February 2012 based on the return received from IMTPIP. IBNR (IBNER) for reinsurance accepted from IMTPIP based on actuarial estimates received from the IMTPIP.

The company has recognized related income and expense for the month of March 2012 on an estimated basis, in the absence of availability of data from IMTPIP.

IRDA vide its order IRDA/NL/ORD/MPL/276/12/2011 dated 23<sup>rd</sup> December, 2011 has ordered dismantling of IMTPIP w.e.f 31.03.2012. The Company has recognized transitional liabilities up to the year 2011-12 based on the return received from IMTPIP in compliance with the IRDA order IRDA/F&A/ORD/MTTP/070/03-2012.

## **2.13 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 retro cedes 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 only up to 31st December 2011. The entire amount of reinsurance accepted for the current year on this account up to the above date, has been carried forward to the subsequent accounting period as 'Unexpired Risk Reserve' for subsequent risks, if any, to be borne by the Company.

## **2.14 Management Expenses:**

Operating expenses related to the Insurance Business are allocated to specific business segment on the basis of Gross Written Premium.

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

## **2.15 Income from Investments**

Income earned from investments is allocated to the revenue accounts and the profit and loss account on the basis of funds available from insurance operations and share holders fund and are further allocated to the lines of business in proportion of their respective gross written premium.

## **2.16 Fixed Assets, Depreciation/Amortization and Impairment:**

Fixed assets 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 softwares are stated at cost less amortization.

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

Depreciation on fixed assets is provided on Straight Line Basis using higher of the rates based on economic useful lives of assets as estimated by the management and the rates specified under Schedule XIV to the Companies Act, 1956. The rates of depreciation followed by the Company are as follows:

Particulars	Depreciation rates as per books (SLM)
Vehicles	20.00%
Office Equipments	25.00%
Furniture & Fittings	6.33%
Information Technology Equipments	33.33%
Software (Intangible Assets)	33.33%

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.

## **2.17 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.

## **2.18 Investments:**

Investments are made in accordance with the Insurance Act, 1938, The IRDA (Investment) Regulation, 2000, The IRDA (Investment) (Amendment) Regulation, 2008 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 exclude 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".

### 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.

### 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.

## **2.19 Employee Benefits:**

### **2.19.1 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.

### **2.19.2 Post Employment benefits:**

#### **2.19.2.1 Defined Contribution Plans:**

The Company contributes to approved Employees Provident Fund Scheme and the Employees Superannuation Fund maintained with Life Insurance Corporation of India (LIC). The Company's contribution paid/payable under the scheme is recognized as an expense in the revenue accounts/ profit and loss account during the period in which the employee renders the related service.



#### 2.19.2.2 Defined Benefit Plans:

The Company contributes to an approved gratuity fund maintained with the Life Insurance Corporation of India. 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.

#### 2.20 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.

#### 2.21 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.

#### 2.22 Earning Per Share:

The basic earnings per share 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 earnings per share 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.

#### 2.23 Taxation:

Income Tax Expense comprises current tax (i.e. amount of tax determined in accordance with the income tax law) and Deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realized. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably or virtually certain to be realized.



### 2.23.1 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, 2012	As at March 31, 2011
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	NIL	NIL
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. NIL (previous year NIL).

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

### 3.1.4 Claims

Claims, less reinsurance paid to claimant –

(Rs. '000)		
Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
In India	8,116	2,221
Outside India	NIL	NIL

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 –

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
More than six months	4,070	458
Others	7,780	1891

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

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

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

3.1.7 Value of contracts in relation to investment, for:

There are no contracts outstanding in relation to purchases where deliveries are pending and sales where payments are outstanding/ overdue at the end of the year.

Investments made are in accordance with the Insurance Act, 1938 and Insurance Regulatory and Development Authority (Investment) (Amendment) Regulations, 2000.

The Company has no non-performing assets for the purpose of income recognition as per the directions of IRDA.

The historical cost of investments in mutual funds which have been valued on a fair value basis is Rs. 45,363 thousands (Previous year Rs. 19,815).

Investments under Section 7 of the Insurance Act, 1938 are as follows:

(Rs. '000)		
Name of Security	As at March 31, 2012	As at March 31, 2011
7.17% Government stock 2015	97,704	96,986

The Company does not have any investment in property as at 31<sup>st</sup> March, 2012. (Previous year Rs. NIL)

### 3.1.8 Managerial Remuneration:

(Rs. '000)

Particular's	As at March 31, 2012	As at March 31, 2011
Salaries and Allowances	11,525	9,701
Perquisites	901	870
Bonus	2,862	2,219
Contribution to Provident Fund	581	489
Contribution to Superannuation Fund	535	407
<b>Total</b>	<b>16,404</b>	<b>13,686</b>

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

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.

### 3.1.9 Extent of risk written and reinsured based on the gross written premium /net written premium (excluding excess of loss and catastrophe reinsurance).

Particulars	Year	Risk Retained	Risk Reinsured
		% of business written	% of business written
Fire	2011-12	25.90%	74.10%
	2010-11	30.76%	69.24%
Marine	2011-12	94.67%	5.33%
	2010-11	58.65%	41.35%
Miscellaneous	2011-12	79.26%	20.74%
	2010-11	61.22%	38.78%
<b>Total</b>	<b>2011-12</b>	<b>74.16%</b>	<b>25.84%</b>
	<b>2010-11</b>	<b>56.22%</b>	<b>43.78%</b>

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

Business Sector	For the year ended March 31, 2012			For the year ended March 31, 2011		
	GDP (Rs.'000)	No. of Lives	% of GDP	GDP	No. of Lives	% of GDP
Rural	9,560	-	6.47%	1,645	-	3.35%
Social	1,828	14,138	1.24%	706	7,648	1.44%
Urban	136,469	-	92.29%	46,612	-	95.21%
<b>Total</b>	<b>147,857</b>	<b>-</b>	<b>100.00</b>	<b>48,963</b>	<b>-</b>	<b>100.00</b>

### 3.1.11 Reinsurance Regulations

As per Insurance Regulatory and Development Authority (General Insurance – reinsurance) Regulations, 2000, surplus over and above domestic reinsurance arrangements class-wise can be placed by the insurer independently complying with the sub regulation (7) subject to a limit of 10% of the total reinsurance premium ceded outside India being placed with any one reinsurer. Where it is necessary in respect of specialized reinsurer to cede a share exceeding such limit to any particular reinsurer, the 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 2011-12 to the Authority and also communicated all the facultative placements on direct proposals placed during the financial year.

### 3.1.12 Employee benefits:

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

(Rs. '000)					
	Particulars	Gratuity		Leave Encashment	
		2011-12	2010-11	2011-12	2010-11
<b>I</b>	<b>Change in Defined Benefit Obligation</b>				
	Liability at the beginning of the year	1,605	1,061	1,175	939
	Interest cost	193	117	118	110
	Current service cost	807	608	461	468
	Past Service cost (Non vested benefit)	-	-	-	-
	Past Service cost (Vested benefit)	-	-	-	-
	Benefits Paid	-	-	(4)	(38)
	Net actuarial gain/ loss on obligation	(149)	(181)	(277)	(304)
	Liability at the end of the year	2,456	1,065	1,473	1,175
<b>II</b>	<b>Fair value of plan assets</b>				
	Fair value of plan assets as at the beginning of the year	1,397	1,002	-	-
	Expected return on the plan assets	139	80	-	-
	Contributions by employer	560	338	-	-
	Benefit Paid	-	-	-	-
	Actuarial gain/loss on plan assets	(9)	(24)	-	-
	Fair value of plan assets as at the end of the year	2,086	1,397	-	-
	Total actuarial Gain/Loss to be recognized	140	157	278	304



	Particulars	Gratuity		Leave Encashment	
		2011-12	2010-11	2011-12	2010-11
<b>III</b>	<b>Actual Return on Plan Assets</b>				
	Expected return on plan assets	139	80	-	-
	Actuarial Gain/loss on Plan Assets	(9)	(24)	-	-
	Actual Return on Plan Assets	129	56	-	-
<b>IV</b>	<b>Amount recognized in the Balance Sheet</b>				
	Liability at the end of the year	2,456	1,605	1,473	1,175
	Fair value of plan assets as at the end of the year	2,086	1,397	-	-
	Difference	369	208	1,473	1,175
	Unrecognized Past service cost	-	-	-	-
	Net asset or liability recognized in the B/S	369	208	1,473	1,175
<b>V</b>	<b>Expense recognized in Profit and Loss Account</b>				
	Current service cost	807	608	461	468
	Interest cost on benefit obligation	193	117	118	110
	Expected return on plan assets	(139)	(80)	-	-
	Net actuarial gain/loss to be recognized	(140)	(157)	(278)	(304)
	Past service cost (Non vested benefit recognized)	-	-	-	-
	Past service cost (vested benefit recognized)	-	-	-	-
	Expense recognized in the Profit and Loss account	722	487	301	274
<b>VI</b>	<b>Balance Sheet Reconciliation</b>				
	Opening net Liability	208	59	1,175	939
	Expenses as above	722	487	301	274
	Contribution by employers/Benefit paid	(560)	(338)	(4)	(38)

	Particulars	Gratuity		Leave Encashment	
		2011-12	2010-11	2011-12	2010-11
<b>VII</b>	<b>Actuarial Assumption for the year</b>				
	Discount Rate	8%	8%	8%	8%
	Escalation Rate	6%	6%	6%	6%
	Rate of Return on Plan Assets	8.50%	8.50%	-	-
	Valuation Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method

The Company has recognized Rs. 4,517 thousands (previous year Rs. 3,837thousands) as an expense in respect of defined contribution plan.

### 3.1.13 Summary of Financial Statements

(Rs.'000)				
Particulars	2011-12	2010-11	2009-10	2008-09
Operating Results				
Gross written premium	228,310	88,026	19,433	-
Net premium income	148,000	(476)	(28,221)	-
Income from investment	11,651	4,319	330	-
Miscellaneous Income	2,474	567	197	-
Total Income	162,125	4,411	(27,694)	-
Commission	13,849	3,581	1	-
Operating Expense	124,339	142,905	119,481	-
Claims, Increase in URR and other outgoes	112,797	35,372	9,428	-
Operating Profit/Loss	(88,860)	(177,447)	(156,603)	-
Non Operating Results	-	-	-	
Total Income Under Share holder's account	149,551	106,302	100,805	54,413
Profit/Loss before tax	57,654	(72,723)	(57,193)	(66,191)
Provision for tax	(339)	-	-	405
Profit/Loss after tax	57,994	(72,723)	(57,193)	(66,596)
Miscellaneous Policy holder's account	Not applicable being general insurance company			

Particulars	2011-12	2010-11	2009-10	2008-09
Total Funds	-	-	-	-
Total Investments	-	-	-	-
Yield on investments	-	-	-	-
Shareholder's account	Not applicable being general insurance company			
Total Funds	-	-	-	-
Total Investments	-	-	-	-
Yield on investments	-	-	-	-
Paid up Equity Capital	2,070,000	2,070,000	2,070,000	2,000,000
Net Worth	1,906,084	1,847,499	1,920,456	1,978,025
Total Assets	20,92,869	1,915,698	1,949,531	1,987,983
Yield on Total Investments	8.49%	6.86%	5.61%	-
Earning per Share	0.28	(0.35)	(0.28)	(0.87)
Book value per Share	9.21	8.93	9.28	9.89
Total Dividend	-	-	-	-
Dividend per share	-	-	-	-

### 3.1.14 Analytical Ratios as on 31<sup>st</sup> March 2012

For ratios as at March 31, 2012 refer Annexure 1a and for March 31, 2011 refer Annexure 1b.

### 3.1.15 Details of penal action from Government Authorities:

Sl No.	Authority	Non-Compliance/ Violation	Amount in Rs.		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	NIL	NIL	NIL	NIL
2	Service Tax 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, 1956	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 *	NIL	NIL	NIL	NIL
9	Competition Commission of India	NIL	NIL	NIL	NIL
10	Any other Central/State/Local Government / Statutory Authority	NIL	NIL	NIL	NIL

\*Post listing

### 3.1.16 Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders

Particulars	Total Amount (INR'000)	AGE-WISE ANALYSIS						
		1-6 months	7-12 months	13-18 months	19- 24 months	25 - 30 months	31 - 36 months	Beyond 36 Months
claims settled but not paid to the policyholders / insureds 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	1.4	1.4	NIL	NIL	NIL	NIL	NIL	NIL
Cheques issued but not encashed by the policyholder/ insured	94	94	NIL	NIL	NIL	NIL	NIL	NIL

## 3.2 Other Disclosures

### 3.2.1 Contribution to the Environment Relief fund

The Company has collected an amount of Rs. 229 thousands (previous year – Rs. 215 thousands) towards Environment Relief Fund from Public Liability policies. The company has paid all the amounts collected towards Environment Relief Fund up to 31<sup>st</sup> March, 2012, to the United India Insurance Company.

### 3.2.2 Contribution to the Solatium Fund

In accordance with the IRDA 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.



### 3.2.3 Micro and Small scale business entities:

There are no dues to Micro and Small Enterprises which are outstanding at the balance sheet date. This information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company. This has been relied upon by the auditors.

### 3.2.4 Prior period adjustments:

Operating expenses includes prior period income/ (expenses) as under –

(Rs.'000)

SR. No.	Particulars	2011-12	2010-11
1	Rent, Rates & Taxes	(551)	294
2	Provision for IT Support & Internet charges	-	1479
3	Subscription & Membership fees	-	(7)
4	Employees Remuneration & Welfare Benefits	-	1794
5	Travel, conveyance and vehicle running expenses	(106)	38
6	Professional Charges	-	107
7	Expenses (Communication, Office maintenance & Custodian charges)	-	7
8	Communication Expense	(30)	-
9	Office Utilities Expense	(21)	-
10	Entertainment Expense	(1)	-

### 3.2.5 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
Fire	2011-12	3,524	-	1,356
	2010-11	894	-	894
Marine Cargo	2011-12	769	-	467
	2010-11	389	-	310
Marine Hull	2011-12	-	-	-
	2010-11	-	-	-
Motor OD	2011-12	576	-	853
	2010-11	713	-	1,030
Motor TP	2011-12	20,613	88	8,055
	2010-11	4,281	53	1,669
Workmen Compensation	2011-12	258	-	561
	2010-11	206	-	172
Engineering	2011-12	3,519	-	1,097
	2010-11	470	-	1,190
Public Liability	2011-12	3,349	298	3,874
	2010-11	3,442	-	3,975
Other Liability	2011-12	13,875	5,021	47,474
	2010-11	9,172	-	11,043

Personal Accident	2011-12	1,515	8	2,286
	2010-11	947	3	1,459
All Risk	2011-12	6,052	-	24,364
	2010-11	-	-	2
Other Misc.	2011-12	100	153	202
	2010-11	69	-	202
Total	2011-12	54,148	5,568	90,588
	2010-11	20,583	56	21,946

### 3.2.6 Related Party disclosures:

- a. Following is the list of related parties:

Nature of Relationship	Name of the Related Party
Holding Company	Prism Cement Limited
Enterprise where Director is having significant influence	Windsor Realty Private Limited
Enterprise where Director is having significant influence	Globus Stores Private Limited
Joint Venture Partner	QBE Holdings (AAP) Pty Limited
Holding Company of Joint Venture Partner	QBE Insurance Group Limited
Fellow Subsidiary of Joint Venture Partner	QBE Insurance (International) Limited QBE Hongkong & Shanghai Insurance Limited QBE Insurance (Europe) Limited QBE Management Services Pty Limited QBE Re Services Pty Limited
Key Management personnel and relative of such personnel	Mr. Praveen Gupta – Chief Executive Officer & Managing Director

b. Details of transactions with related parties:

(Rs.'000)

Particulars	Nature of Transactions	2011-12		2010-11	
		Rupees	Receivable /(Payable)	Rupees	Receivable /(Payable)
Prism Cement Limited	Premium received**	8,512	-	3,679	-
	Premium deposit**	404	-	220	-
	Contribution towards Environmental Relief fund	144	-	144	-
	Claims paid	5,062	(1461)	2367	(325)
	Sale of Fixed assets	-	-	495	-
	Rent Paid	260	-	-	-
	Security Deposit	300	300	-	-
Windsor Realty Private Ltd.	Re-imbursement of Expenses	20	-	-	-
	Rent Paid	16,395	-	-	-
	Security Deposit	-	-	15,762	15,762
Globus Stores Pvt. Ltd.	Premium received	287	-	287	-
QBE Insurance (International) Limited.	Travelling Expenses	-	-	299	-
	Subscription fees	-	-	73	-
QBE Management Services Pty Limited	Data Communication charges	1,568	(1,222)	1,322	(1,167)
QBE Insurance (Europe) Limited	Reinsurance premium paid	27,568	(9,014)	28,746	(9,922)
	Reinsurance commission received	5,886	1812	5,470	1,765
QBE Hong Kong & Shanghai Insurance Limited	Re-imbursement of Expenses	-	-	-	-
	Printing and Stationery	-	-	80	-
QBE Re Services Pty Ltd.	Re-imbursement of Expenses	14	-	-	-
	Training expenses	478	-	569	-
Praveen Gupta	Remuneration*	16,404	(3,100)	13,686	(2,219)

\*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/premium deposit amounts are excluding service tax and other levies.

3.2.7 Lease:

The Company has taken office premises on lease.

a. Lease rent debited to Profit and Loss Account:

(Rs.'000)

Particulars	As at March 31, 2012	As at March 31, 2011
Leave and License Expenses	17,413	57,482



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

(Rs. '000)

Particulars	As at March 31, 2012	As at March 31, 2011
Not later than one year	17,146	17,146
Later than one year and not later than five years	14,288	31,434
Later than five years	NIL	NIL

- 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.

### 3.2.8 Earnings per Share:

Particulars	As at March 31, 2012	As at March 31, 2011
Net profit / (Loss) for the period (Rs in '000)	57,994	(72,723)
Total no of share outstanding at end of year	207,000,000	207,000,000
Weighted average no of equity share	207,000,000	207,000,000
Nominal value per share	Rs. 10	Rs. 10
Basic Earning per share	0.28	(0.35)
Diluted Earning per share	0.28	(0.35)

**Note:** As there were no dilutive or potential equity shares issued, no reconciliation between the denominator used for computation of basic and diluted earnings per share is necessary.

### 3.2.9 Deferred taxes:

Accounting Standard 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. The components of the Company's deferred tax liabilities and assets are tabulated below.

(Rs. '000)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Deferred Tax Assets:</b>		
Unexpired risk reserve	185	-
Leave Encashment	92	-
Gratuity	50	-
Unabsorbed Depreciation/ Losses	-	-
<b>Deferred Tax Assets</b>	<b>327</b>	<b>NIL</b>

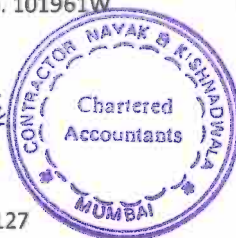
3.2.10 Previous years figures have been regrouped / reclassified wherever necessary to confirm to current year classifications.

As per our Report of even date attached.


**For Contractor, Nayak & Kishnadwala**  
Chartered Accountants  
Firm Registration No. 101961W

  
**G.S. Nayak**  
Partner  
Membership No. 38127

Mumbai,  
Date: 26<sup>th</sup> April 2012



**For Sudit K. Parekh & Co.**  
Chartered Accountants  
Firm Registration No. 110512W


  
**Raman Johakar**  
Partner  
Membership No 103241

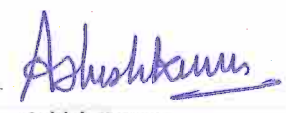


**For and on behalf of the Board of Directors**

  
**Akshay Raheja**  
Director

  
**Michael Goodwin**  
Director

  
**Praveen Gupta**  
Chief Executive Officer  
& Managing Director

  
**Ashish Kumar**  
Company Secretary

Mumbai,  
Date: 26<sup>th</sup> April 2012

**Annexure-1 a Analytical Ratios as at March 31, 2012**

Particulars	Fire	Marine	Misc	Total
Gross Premium growth rate	117.46%	(18.83)%	208.13%	201.98%
Gross Premium to Avg. Shareholder's fund ratio	-	-	-	7.76%
Growth rate of Shareholder's fund	-	-	-	3.15%
Net Retention Ratio	97.64%	285.24%	99.84%	100.10%
Net Commission Ratio	5.22%	17.03%	12.93%	12.65%
Expense of Management to Gross Premium ratio	226.08%	119.61%	91.77%	96.75%
Combined Ratio	279.30%	454.17%	96.81%	104.15%
Technical Reserve to Net Premium ratio	133.15%	200.37%	97.66%	99.46%
Underwriting balance ratio	(172.16)%	(125.16)%	(41.81)%	(46.90)%
Operating Profit Ratio	(110.01)%	(82.52)%	(34.41)%	(37.36)%
Liquid Ratio	-	-	-	959.26%
Net Earning Ratio	-	-	-	39.19%
Return on net worth	-	-	-	3.04%
Reinsurance ratio	75.92%	22.44%	31.04%	35.18%

**Annexure-1 b Analytical Ratios as at March 31, 2011**

Particulars	Fire	Marine	Misc	Total
Gross Premium growth rate	93.24%	116.57%	292.41%	270.91%
Gross Premium to Avg. Shareholder's fund ratio	-	-	-	2.65%
Growth rate of Shareholder's fund	-	-	-	(3.80)%
Net Retention Ratio	(363.13)%	(709.16)%	23.68%	(0.97)%
Net Commission Ratio	(1.87)%	(2.38)%	53.98%	(1286.40)%
Expense of Management to Gross Premium ratio	940.58%	632.09%	274.97%	311.27%
Combined Ratio	940.58%	632.09%	274.97%	311.27%
Technical Reserve to Net Premium ratio	(19.75)%	(45.92)%	363.00%	(8934.54)%
Underwriting balance ratio	355.95%	199.94%	(1183.61)%	34924.59%
Operating Profit Ratio	348.17%	197.33%	(1151.08)%	34017.17%
Liquid Ratio	-	-	-	2091.85%
Net Earning Ratio	-	-	-	15277.84%
Return on net worth	-	-	-	(3.94)%
Reinsurance ratio	163.13%	287.73%	84.92%	100.54%