



RAHEJA QBE

RAHEJA QBEGENERAL INSURANCE COMPANY LIMITED

ANNUAL REPORT 2015-16

RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the Ninth Annual Report of your Company together with the audited Accounts of the Company for the year ended March 31, 2016.

REVIEW OF THE FINANCIAL PERFORMANCE FOR 2015-16

(INR '000)

Particulars	2015-16	2014-15
Gross Written Premium	368,289	290,305
Net Written Premium	255,628	204,020
Net Earned Premium	214,906	195,202
Net Incurred Claims	53,502	54,159
Net Commission	44,696	36,208
Expenses of Management	174,076	135,947
Other Income/ (Expenses)	1,863	1,681
Investment Income on Policy Holders Fund	30,860	25,320
Premium Deficiency Reserve	(2,942)	(2,202)
Insurance Profit/(Loss)	(21,702)	(1,911)
Investment Income on Shareholders Fund	181,232	184,101
Income / (Expenses) other than Insurance Business	(14,326)	(14,199)
Profit/(Loss) before Tax	145,204	167,991
Provision for Taxation	49,174	(59,750)
Provision for Deferred Tax	(7,874)	(1,548)
Profit/(Loss) after Tax	103,904	106,693

The amount of INR 103,904 thousand is proposed to be retained in the Statement of Profit and Loss.

OPERATIONS

The Gross written premium of the company increased by 27%, to INR 368,289 thousands from INR 290,305 thousands. The net earned premium stood at INR 214,906 thousands as against INR 195,202 in the previous year. The total income from investment for the year under review was INR 212,092 thousands as against INR 209,421 thousands in the previous year. The company achieved net profit after tax of INR 103,904 thousands as compared to net profit of INR 106,693 thousands in the previous year.

DIVIDEND

The Directors have not recommended any dividend for the financial year ended March 31, 2016.

SHARE CAPITAL

The paid-up Equity Share Capital was INR. 2,070,000 thousand as on March 31, 2016. During the year under review, the Company has not issued shares with differential voting rights neither granted stock options nor sweat equity.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company does not have any subsidiary/joint venture/associate companies.

FIXED DEPOSIT

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to the section 186 of the Companies Act, 2013, the Company has not given any loans or guarantees and the details of Investments made are given in the schedules of the Financial Statements.

STATE OF ECONOMY

During F.Y. 2015-16 Indian economy remained one of the fastest growing economies in the world with 7.6% GDP growth. The improvement in economic fundamentals had accelerated during the year with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices. While the lower oil prices had given India an opportunity to cut down on the balance of payment gap, industrial performance remained sluggish.

GENERAL INSURANCE INDUSTRY AND COMPANY'S OVERVIEW

The insurance industry continues to experience double digit growth, the key drivers being Motor and Health segments. While the product evolution and differentiation is slow to come, there is a sharp shift in the way customers seek and explore insurance solutions. Thanks to in-pursuit-of-value-for-money and the proliferation of Internet, customers seeking instant answers are facilitated by the e-commerce mode which is largely an aggregator model as of now.

The regulator recently dismantled the declined motor risk pool. However, insurers must still write respective quota of Third Party Liability (TP) business in proportion of their GWP. Our endeavour is to pick and choose best performing segments. The regulatory insistence on maintaining granular premium deficiency reserve, listing of New India and the GIC Re and some imminent consolidation in the private sector - is indeed welcome news. The entry of private insurers in the form of a Lloyd's platform and branches of foreign reinsurers should bring in more transparency in the way insurers transfer their risk/s. There seems to be a scalable opportunity in the small Erection All Risks (EAR) and Contractors All Risks (CAR) segments as the government attempts to boost its 'Make in India' intent.

We believe having established ourselves as a recognized niche player, we are only poised to grow by focusing on the identified growth segments. We continue to consolidate our reputation in our chosen segments. We have further consolidated our positioning as a knowledge player and continue investing quality time in evangelizing our business model, products and offerings to our partners.

Pricing pressures in the existing liability offerings coincide with newer opportunities presenting in the form of cyber, technology, life sciences and life style related exposures.

INCREASE IN FOREIGN DIRECT INVESTMENT

The Board reports that pursuant to change in law, permitting increase in foreign equity to 49%, your Company had applied for requisite regulatory approvals to the Foreign Investment Promotion Board and Insurance Regulatory Development Authority of India. The necessary approvals having been granted in end March 2016, QBE Asia Pacific Holdings Pty Limited, which is an affiliate of QBE Holdings (AAP) Pty Limited ('QBE'), acquired 23% stake in your Company from the Prism Cement Limited,

DISCLOSURES UNDER THE COMPANIES ACT, 2013

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the annual return is enclosed in Annexure 1.

NUMBER OF BOARD MEETINGS

The Board of Directors met 4 times in the F. Y. 2015-16

i) May 6, 2015. ii) July 30, 2015 iii) November 26, 2015 and iv) March 4, 2016

BOARD OF DIRECTORS

- i. Mr. Shaun Standfield resigned from the Board of Directors of the Company with effect from September 30, 2015 due to personal reasons. The Board wishes to place on record its appreciation of the valuable contributions made by Mr. Standfield during his tenure with the Company.
- ii. In accordance with the requirements of the Companies Act, 2013, Ms. Aneeta Kulkarni, Director is liable to retire by rotation and being eligible, has offered herself for reappointment.
- iii. The total strength of the Board was eight Directors as at March 31, 2016, comprising one executive Director, who is Managing Director & CEO, and seven non-executive Directors including 2 independent Directors.
- iv. Ms. Ameeta Parpia and Mr. Shobhan Thakore, were appointed as Independent Directors at the Seventh Annual General Meeting (AGM) of the Company held on August 26, 2014, under the Companies Act, 2013 for a period of 5 years w.e.f. August 26, 2014.
- v. The Independent Directors have submitted the Declaration of Independence, as required pursuant to section 149(6) of the Companies Act, 2013.

- vi. The following table gives details of the composition of the Board of Directors, qualification, field of specialization and status of Directorship held and attendance at Board Meetings :

Sl. No.	Name	Qualification	Field of Specialization	Status Directorship	Attendance at Board Meetings
1	Mr. Akshay Raheja	B.Com, MBA	Industrialist	Non-executive	4
2	Ms. Ameeta Parpia	B.A, LLB	Advocate & Solicitor	Non-executive	4
3	Ms. Aneeta Kulkarni	B.A., LL.B, PGDAM, ACS, F.I.I.I.	Legal, Compliance, Secretarial & General Insurance	Non-executive	4
4	Mr. Bruce Howe	Master of Economics, FIAA	General Insurance, Management & Actuarial Science	Non-executive	3
5	Mr. Shaun Standfield	MBA, Diploma Financial Services, Institute of Company Directors, Insurance Institute	Management, Distribution, Underwriting & General Insurance	Non-executive	-
6	Mr. Mark Lingafelter ++	Insurance Professional	General Insurance	Non-executive	2
7	Mr. Shobhan Thakore	B.A., LLB	Solicitor	Non-executive	4
8	Mr. Vijay Aggarwal\$	B. Tech (Electrical) IIT Delhi, PGDBM, IIM Ahmedabad)	Professional	Non-executive	1
9	Mr. Praveen Gupta	M.A., Dip DM (IDM UK), FCII (UK), FIII, MAICD	Management, Distribution, Underwriting & General Insurance	Executive	4
# Mr. Shaun Standfield ceased to be a Director effective September 30, 2015.					
++Mr. Mark Lingafelter was appointed as Director with effect from November 26, 2015.					
\$ Mr. Vijay Aggarwal was appointed as an Additional Director effective March 4, 2016					

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, to the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors confirm :

- that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are

reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and, of the profit of the Company for the year ended on that date;

- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

FRAUDS

There are no frauds reported by auditors/secretarial auditors under sub-section (12) of section 143.

EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Investment, Risk Management, Policyholder Protection and CSR Committees.

A structured evaluation was carried out covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

PARTICULARS OF EMPLOYEES

Information required to be given pursuant to the provisions of section 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto marked Annexure II and forms part of this report.

KEY MANAGERIAL PERSONNEL (KMP)

The following are the changes in appointments and tenure of Key Managerial persons, during the financial year 2015-16 :

Reappointment of Mr. Praveen Gupta as Managing Director & CEO :

The Board of Directors has, at its meeting held on May 18, 2016, subject to the approval of the shareholders and IRDAI, reappointed Mr. Praveen Gupta as Managing Director and CEO for a further period of one year, with effect from April 1, 2016

Mr. Ajit Shinde, Company Secretary who was appointed as Company Secretary on May 6, 2015 resigned from the services of the Company with effect from July 21, 2015.

Ms. Bharathi Iyer was appointed as Company Secretary & Chief Compliance & Risk Officer on August 3, 2015.

REGISTRATION

The Certificate of registration of your Company renewed by the Insurance Regulatory and Development Authority of India (IRDAI) for 2014-15, shall continue to be in force subject to the provisions of Section 3A read with Section 3 of the Insurance Act, 1938 (IRDA circular no. IRDA/F&A/CIR/GLD/062/04/2015 dated April April 7, 2015) which states that the Authority has dispensed with the convention of issuing annual renewal certificates.

INVESTMENTS

The Investment function supports the core business of the Company. The Investments of the Company are made in accordance with the Investment policy of the Company as approved by the Board of Directors. The investment portfolio of the Company as on March 31, 2016 is INR 2,556,683 thousands. The Company's funds are prudently invested to minimize the risk while seeking reasonable returns. The weighted average annualized yield on investment for the year 2015-16 is 8.52 %.

RISK MANAGEMENT STRATEGY

The Company has a robust Risk Management framework to identify, evaluate and manage business risks to meet strategic objectives. It is embedded in each of the Department at all levels, providing a consistent approach to managing risk across the organisation. Key aspects of the framework include: governance, risk appetite and tolerance, delegated authorities, risk policies, measurement and modelling, risk and control self assessment, risk treatment, optimisation and ongoing improvement through management action plans, risk and performance monitoring. The Company has established internal controls to manage material business risks in the key areas of exposure relevant to the Company. The broad risk categories identified are Strategic risk, Insurance risk, Credit risk, Market risk, Liquidity risk, Operational risk and Group risk. These internal systems and controls are designed to provide reasonable assurance that the assets and revenues of the Company are safeguarded and that exposures remain within stated risk appetites.

INTERNAL FINANCIAL CONTROL SYSTEM

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

Currently, the internal audit function is outsourced, as permitted by the relevant IRDAI regulations, to Group Internal Audit ("GIA") of QBE. The GIA have completed their audit of the internal operations and

financial controls and the Board of Directors report that there are no high or critical risk issues in the report submitted.

NOMINATION & REMUNERATION POLICY

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

CORPORATE GOVERNANCE

The Corporate Governance Guidelines for Insurance Companies has been implemented fully by the Company. A certificate from Chief Compliance Officer is attached with the report.

IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS ("Ind. AS")

The Ministry of Corporate Affairs has mandated adoption of the Indian Accounting standards for Insurance sector. IRDAI vide their circular no. IRDA/F&A/CIR/IFRS/038/03/2016 dated March 01, 2016 has advised all the insurance companies to comply the Indian Accounting Standards for accounting period beginning from April 01, 2018 with comparative for the period ending March 31, 2018. IRDAI has further directed that FY 2016-17, is slated for ensuring that the accounting systems as well as automated processes are geared up for a smooth transition to Ind. AS implementation. The Company will set up a Steering Committee headed by Managing Director & comprising members from Finance, IT, Actuarial, Underwriting & Operations. The Steering Committee shall report the progress to Audit Committee on quarterly basis. The Audit Committee shall oversee the progress of Ind. AS implementation & report to Board at quarterly intervals.

COMMITTEES

In accordance with the requirements of the Corporate Governance Guidelines and the applicable provisions of the Companies Act, 2013, the Board of Directors has constituted the following Committees :

(i) Audit Committee

As on March 31, 2016, the Audit Committee comprises of 4 non-executive Directors, including 2 Independent Directors - Ms. Ameeta Parpia (Chairperson), Mr. Shobhan Thakore, Mr. Mark Lingafelter and Mr. Vijay Aggarwal

The Audit Committee is one of the main pillars of the corporate governance system in public companies. Charged with the principal oversight of financial reporting and disclosure, the Audit Committee aims to enhance the confidence in the integrity of the company's financial reports and announcements, the internal control processes and procedures and the risk management systems. The Audit Committee's focus is on financial reporting, risk oversight, oversight and evaluation of performance and effectiveness of the audit process, rotation of the statutory auditors, interaction with the statutory auditors and the internal auditors, oversight and evaluation of internal financial

controls and risk management systems, related party transactions, vigil mechanism, and more importantly for the first time on the monitoring of the end use of funds raised through the public offers and related matters.

The Audit Committee has met four times during the year ended March 31, 2016 on (i) May 6, 2015, (ii) July 30, 2015 (iii) November 26, 2015 and (iv) March 4, 2016 and the details of attendance by the Committee Members are as follows:

Name of Director	Category	Number of Meetings attended
Ms. Ameeta Parpia	Non-executive Independent	4
Mr. Shobhan Thakore	Non-executive Independent	4
Mr. Mark Lingafelter* ¹	Non-executive Non-independent	1
Mr. Vijay Aggarwal* ²	Non-executive Non-independent	N. A.
Mr. Akshay Raheja ¹	Non-executive Non-independent	4
Ms. Aneeta Kulkarni ¹	Non-executive Non-independent	4
Mr. Bruce Howe ¹	Non-executive Non-independent	3
Mr. Shaun Standfield ²	Non-executive Non-independent	-

*¹ Appointed on November 26, 2015

*² Appointed on March 4, 2016

¹ Resigned with effect from March 4, 2016

² Resigned with effect from September 30, 2015

(ii) **Investment Committee**

As on March 31, 2016, the Investment Committee comprises Mr. Vijay Aggarwal, Mr. Shobhan Thakore, Ms. Aneeta Kulkarni, Mr. Bruce Howe, Non Executive Directors, Mr. Praveen Gupta, Managing Director & Chief Executive Officer, Mr. Rakesh Sharma, Chief Financial Officer, Mr. Shantanu Pathak, Chief Investment Officer and Ms. Sulochana Enjeti Bharadwaj, Appointed Actuary.

The Committee has met four times during the year ended March 31, 2016 (i) May 6, 2015 (ii) July 30, 2015 (iii) November 26, 2015 and (iv) March 4, 2016 and the details of attendance by the Committee Members are as follows:

Name of Director	No. of Meetings attended.
Mr. Vijay Aggarwal* ¹	N. A.

Mr. Shobhan Thakore ^{*1}	N. A.
Ms. Aneeta Kulkarni	4
Mr. Bruce Howe	3
Mr. Praveen Gupta	4
Mr. Rakesh Sharma	4
Mr. Shantanu Pathak	3
Ms. Sulochana Enjeti Bharadwaj	4
Mr. Akshay Raheja ^{^1}	4
Mr. Mark Lingafelter ^{^1}	1
Mr. Shaun Standfield ^{^2}	-

^{*1} Appointed on March 4, 2016

^{^1} Resigned with effect from March 4, 2016

^{^2} Resigned with effect from September 30, 2015

(iii) **Risk Management Committee (RMC)**

As on March 31, 2016, the Risk Management Committee comprises of Mr. Vijay Aggarwal (Chairman), Mr. Bruce Howe, Ms. Ameeta Parpia, Ms. Aneeta Kulkarni and Mr. Praveen Gupta.

The Committee has met four times during the year ended March 31, 2016 on (i) May 6, 2015, (ii) July 30, 2015 (iii) November 26, 2015 and (iv) March 4, 2016 and the details of attendance by the Committee Members are as follows:

Name of Director	No. of Meetings attended
Mr. Vijay Aggarwal ^{*1}	N. A.
Mr. Bruce Howe	3
Ms. Ameeta Parpia	4
Ms. Aneeta Kulkarni	4
Mr. Praveen Gupta	4
Mr. Akshay Raheja ^{^1}	4
Mr. Mark Lingafelter ^{^1}	1
Mr. Shaun Standfield ^{^2}	-

^{*1} Appointed on March 4, 2016

^{^1} Resigned with effect from March 4, 2016

^{^2} Resigned with effect from September 30, 2015

(iv) **Policyholder Protection Committee**

As on March 31, 2016, the Policyholder Protection Committee comprises of Mr. Shobhan Thakore, Mr. Mark Lingafelter, Mr. Vijay Aggarwal, Ms. Aneeta Kulkarni and Mr. Praveen Gupta.

The Committee has met four times during the year ended March 31, 2016, on (i) May 6, 2015, (ii) July 30, 2015 (iii) November, 26, 2015 and (iv) March 4, 2016 and the details of attendance by the Committee Members are as follows :

Name of Director	No. of Policy Holder Protection Committee Meetings attended
Mr. Vijay Aggarwal ^{*1}	N. A.
Mr. Shobhan Thakore ^{*1}	N. A.
Ms. Aneeta Kulkarni	4
Mr. Mark Lingafelter ^{*2}	1
Mr. Praveen Gupta	4
Mr. Bruce Howe ^{^1}	-
Mr. Shaun Standfield ^{^2}	-

^{*1} Appointed on March 4, 2016, as Member of reconstituted Policyholder Protection Committee

^{*2} Appointed on November 26, 2015

^{^1} Resigned with effect from March 4, 2016

^{^2} Resigned with effect from September 30, 2015

(v) **Nomination & Remuneration Committee (NRC)**

As on March 31, 2016, the Nomination & Remuneration Committee comprises of the following Directors, Ms. Ameeta Parpia, (Chairperson), Mr. Akshay Raheja, Mr. Shobhan Thakore and Mr. Mark Lingafelter.

The Nomination and Remuneration Committee's focus is to identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down; to recommend to the Board their appointment and removal, carry out evaluation of every director's performance, to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The Committee has met 3 times during the year ended March 31, 2016 (i) May 6, 2015 (ii) July 30, 2015 and (iv) March 4, 2016 and the details of attendance by the Committee Members are as follows:

Name of Director	Meetings attended
Ms. Ameeta Parpia	3
Mr Akshay Raheja	3
Mr. Shobhan Thakore	3
Mr. Mark Lingafelter	1
Ms. Aneeta Kulkarni ^{*1}	N. A.
Mr. Shaun Standfield ^{^2}	-

^{*1} Appointed on November 26, 2015

^{^2} Resigned with effect from September 30, 2015

vi) **Corporate Social Responsibility (CSR) Committee**

In pursuance of Section 135 of Companies Act, 2013, the Company has constituted a CSR Committee, currently comprising of Mr. Akshay Raheja (Chairman), Mr. Bruce Howe, Ms. Ameeta Parpia, Ms. Aneeta Kulkarni, Mr. Praveen Gupta.

The Committee had met on March 4, 2016 and details of attendance are as follows:-

Name of Director	No of Meeting Attended
Mr. Akshay Raheja	1
Mr. Bruce Howe ^{*1}	-
Ms. Ameeta Parpia	1
Ms. Aneeta Kulkarni	1
Mr. Praveen Gupta	1
Mr. Mark Lingafelter ^{*2}	1
Mr. Shaun Standfield ^{*3}	-

^{*1} Appointed on March 4, 2016

^{*2} Appointed on November 26, 2015 and resigned with effect from March 4, 2016

^{*3} Resigned with effect from September 30, 2015

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

PARTICULARS OF GENERAL MEETINGS

The Board reports that your Company had convened an Extraordinary General Meeting on March 4, 2016, for the purpose of approval by the shareholders of amendment to the Articles of Association, approval of appointment of non-executive Directors, Mr. Mark Lingafelter and Mr. Vijay Aggarwal, and approve the reappointment of Mr. Praveen Gupta, as Managing Director & CEO for a period of one year from April 1, 2016. The amendment of the Articles of Association was pursuant to changes in the Joint Venture Agreement between Prism Cement Ltd. and QBE Holdings (AAP) Pty Ltd and in compliance of applicable IRDAI guidelines, on the aforementioned matter, after the change in law permitting increased stake of foreign equity.

VIGIL MECHANISM

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

RELATED PARTY TRANSACTIONS

All Related Party Transactions are placed before the Audit Committee as also the Board, wherever required, for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive in nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval is placed before the Audit Committee for their review on a

quarterly basis. The statement is supported by a Certificate from the Managing Director, and Chief Financial Officer.

The policy on materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is in implementation. During the year under review, the Company did not enter into any transaction or arrangement with related parties, which were material or not at arm's length.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

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

Foreign exchange earnings:	INR 6,994 thousands
Foreign exchange expenditure:	INR 24,122 thousands

SEXUAL HARASSMENT

The Company has a Board approved Sexual Harassment Policy in compliance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no cases reported during the year under review under the said Policy.

SIGNIFICANT MATERIAL ORDER

There were no significant or material orders passed by the court or regulator, as referred to under Sec 134 of the Companies Act, 2013.

AUDITORS

STATUTORY AUDIT

M/s. Uttam Abuwala & Co, Chartered Accountants and M/s. Shah Gupta & Co., Chartered Accountants, the Joint Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and both of them have given their consent for reappointment, subject to the approval of shareholders.

Confirmation from the Auditors has been received to the effect that their reappointment, if made, would be within the prescribed limits under the Companies Act, 2013.

The Report given by the Auditors on the financial statements of the Company are part of the Annual Report. There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.



SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 the Company has appointed M/s. GMJ & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit is annexed herewith as Annexure IV.

There were no qualification, reservation or adverse remarks given by Secretarial Auditors of the Company.

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 of India, various Central and State Government departments/agencies, banks and other business associates connected with the Company.

For and on behalf of the Board of Directors

Raheja QBE General Insurance Company Limited


Akshay Raheja
Chairman


Praveen Gupta
Managing Director & CEO

Place: Mumbai

Date: May 18, 2016

Annexure I

Form No. MGT-9

Extract of Annual Return as on the financial year ended on March 31, 2016

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U66030MH2007PLC173129
2	Registration Date	14th August 2007
3	Name of the Company	Raheja QBE General Insurance Co. Ltd
4	Category/Sub-Category of the Company	Public Company (General Insurance)
5	Whether listed Company (Yes/No)	No
6	Name, Address and Contact details of Registrar and Transfer Agent, if any	-

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the product	% of total turnover of the company
1	Liability	General Insurance (Non-Life) 6512 subclass (65120)	63.87%
2	Public Liability	General Insurance (Non-Life) 6512 subclass (65120)	14.84%
3	Motor TP	General Insurance (Non-Life) 6512 subclass (65120)	14.71%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.No.	Name & address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Prism Cement Ltd. "Rahejas", Main Avenue, V.P. Road, Santa Cruz (W), Mumbai 400 054	L26942AP199PLC014033	Holding	74%	2(46)
2	QBE Holdings (AAP) Pty Ltd. Level 27, 8-12 Chifley Square, Sydney NSW 2000.	ACN 000 005 881	Holding	26%	2(6)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual HUF	-	-	-	-	-	-	-	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	15,31,80,000	15,31,80,000	74%	-	15,31,80,000	15,31,80,000	74%	-
e. Bank/FI	-	-	-	-	-	-	-	-	-
d. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	-	15,31,80,000	15,31,80,000	74%	-	15,31,80,000	15,31,80,000	74%	
2. Foreign	-	-	-	-	-	-	-	-	
a. NRI-Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	5,38,20,000	5,38,20,000	26%	-	5,38,20,000	5,38,20,000	26%	
d. Bank/FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub-Total-A(2)	-	5,38,20,000	5,38,20,000	26%	-	5,38,20,000	5,38,20,000	26%	-
Total Shareholding of Promoter (A)=A(1)+A(2)	-	20,70,00,000	20,70,00,000	100%	-	20,70,00,000	20,70,00,000	100%	-
B. Public Shareholding									
1. Institution									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/FI	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Company	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Corporate	-	-	-	-	-	-	-	-	-
i. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
j. Others	-	-	-	-	-	-	-	-	-
Sub-Total-B(1)	-	-	-	-	-	-	-	-	-
1. Non-Institution									
a. Body Corporate	-	-	-	-	-	-	-	-	-
1. Indian	-	-	-	-	-	-	-	-	-
2. Overseas	-	-	-	-	-	-	-	-	-
b. Individual	-	-	-	-	-	-	-	-	-

i. Individual shareholders holding nominal share capital upto 1 Lakh	-	-	-	-	-	-	-	-	-
ii. Individual shareholders holding nominal share capital in excess of 1 Lakh	-	-	-	-	-	-	-	-	-
c. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total-B(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=B(1)+B(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	20,70,00,000	20,70,00,000	100%	-	20,70,00,000	20,70,00,000	100%	-

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the beginning of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Prism Cement Ltd.	15,31,80,000	74%	-	15,31,80,000	74%	-	-
2	QBE Holdings (AAP) Pty Ltd.	5,38,20,000	26%	-	5,38,20,000	26%	-	-
	Total	20,70,00,000	100%	-	20,70,00,000	100%	-	-

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

There is no change in the shareholding of the Promoter Group

iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
-	-	-	-	-

v. Shareholding of Directors and Key Managerial Personnel:

Sr.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
	Name of Director / KMP	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Akshay Raheja	-	-	-	-
2	Mr. Rajesh Kapadia	-	-	-	-
3	Ms. Aneeta Kulkarni	-	-	-	-
4	Mr. Bruce Howe	-	-	-	-
5	Mr. Shaun Standfield	-	-	-	-
6	Mr Mark Lingafelter	-	-	-	-
7	Mr. Praveen Gupta	-	-	-	-
8	Mr Vijay Aggarwal	-	-	-	-
9	Mr. Rakesh Sharma	-	-	-	-
10	Ms Bharathi Iyer	-	-	-	-

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but no paid				
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition				
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but no paid				
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr.no	Particulars of Remuneration	Mr. Praveen Gupta	Total Amount ('000)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19,406	19,406
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,326	1,326
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission		
	as % of profit	-	-
	others specify	-	-
5	Others, please specify	-	-
	Total (A)	20,731	20,731
	IRDA approved Ceiling	29,500	29,500

B. Remuneration of other directors:

1. Independent Directors

Particulars of Remuneration	Name of Director		Total Amount
	Ms. Ameeta Parpia	Mr. Shobhan Thakore	('000)
Fee for attending board meetings	160	160	320
Commission	-	-	-
Others	-	-	-
Total (1)	160	160	320

2. Other Non-Executive Directors

Particulars of Remuneration	Name of Director					Total Amount
	Mr. Akshay Raheja	Mr. Vijay Aggarwal	Ms. Aneeta Kulkarni	Mr. Bruce Howe	Mr. Mark Lingafelter	('000)
Fee for attending board meetings	-	-	-	-	-	-
Commission	-	-	-	-	-	-
Others - Refund of Deposit	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-
Total (B) = (1+2)	-	-	-	-	-	-

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

Sr.no.	Particulars of Remuneration	Mr.Rakesh Sharma (CFO)	Ms. Bharathi Iyer (Company Secretary)	Total Amount ('000)
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,546	1,626	5,172
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	171	120	291
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	as % of profit	-	-	-
	others specify	-	-	-
5	Others, please specify	-	-	-
	Total	3,717	1,746	5,463

Company Secretary (appointed wef. August 3, 2015)

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act):

There is no penalty / punishment imposed on the Company or any of its directors or Key Managerial Personnel and no application for compounding of offences was made under the Companies Act, 2013 during the year.

Annexure II

Information as per 197 of the Companies Act, 2013, read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2016.

Name & Designation of the employee;	Remuneration received;	Nature of employment, whether contractual or otherwise;	Qualifications and experience of the employee;	Date of commencement of employment	Age	Last employment held by such employee before joining the company;	Percentage of equity shares held by the employee in the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
Praveen Gupta, MD & CEO	2,07,31,352	Permanent	M.A., Dip DM (IDM UK), FCII (UK), FIII, MAICD	10th March 2008	59	Bajaj Allianz General Insurance Co.	-	-

Annexure III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	CSR policy is stated herewith below:
2	The Composition of the CSR Committee	1) Mr. Akshay Raheja (Chairman) 2) Ms. Ameeta Parpia 3) Ms. Aneeta Kulkarni 4) Mr. Bruce Howe 5) Mr. Praveen Gupta
3	Average net profit of the company for last three financial years	INR 11.07 crores
4	Prescribed CSR Expenditure (two per cent, of the amount as in item 3 above)	INR 0.2215 crores
5	Details of CSR spent during the financial year a) Total amount to be spent for the financial year; b) Amount unspent, if any; c) Manner in which the amount spent during the financial year	INR 0.225 crores NIL Refer herewith below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: 1. Direct expenditure on projects or programs. 2 Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency.
1	Up-gradation of facilities in S.L.Raheja Hospital for treatment of patients & research	Promoting health including preventing healthcare	Mumbai, Maharashtra	0.175 cr	Direct Expenditure	0.175 cr	Through implementing partner Diabetic Association of India
2	Helping poor people in treatment of Cancer under Dr. Arun Kurkure Initiation & Treatment fund	Promoting health including preventing healthcare	Mumbai, Maharashtra	0.03 cr	Direct Expenditure	0.03 cr	Through implementing partner Indian Cancer Society
3	Setting up centres for people affected by Chennai Floods	Livelihood enhancement projects	Chennai, Tamil Nadu	0.02 cr	Direct Expenditure	0.02 cr	Through implementing partner Rotary Club of Madras North Charitable Trust

CSR POLICY

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

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

The objective of this policy is to:

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

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,
The Members,
M/s. RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED
Windsor House, 5th Floor,
CST Road Kalina,
Santacruz (East)
Mumbai - 400098

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED for the financial year ended on March 31, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. Insurance Act, 1938 (Rule 7 Regulations framed under Insurance Regulatory and Development Authority Act 1999)

Cont.2



-2-

- iii. Insurance Regulatory and Development Authority (Protection of Policyholder's Interest) Regulation, 2002.
- iv. Insurance Regulatory and Development (Qualification of Actuary) Regulations, 2004.
- v. Insurance Regulatory and Development (Licensing of Corporate Agents) Regulation, 2004.
- vi. Corporate Governance Guidelines.

We further report that the Company has a compliance system in place and we have examined the relevant documents and records with respect to other Acts applicable to the Company, which are as under:

- vii. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- viii. The Payment of Bonus Act, 1965.
- ix. The Payment of Gratuity Act, 1972.
- x. The Minimum Wages Act, 1948.
- xi. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- xii. The Income Tax Act, 1961.
- xiii. Chapter V of the Finance Act, 1994.

We have also examined compliance with the applicable clauses of the Secretarial Standards I and II issued by The Institute of Company Secretaries of India.

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

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were dispatched well in advance.

Majority of the decisions being carried through were captured and recorded as part of the minutes.



Cont.3

-3-

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

For GMJ & ASSOCIATES
Company Secretaries



[MAHESH SONI]
PARTNER

FCS: 3706 COP: 2324

PLACE: MUMBAI

DATE: 18/5/2016

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

ANNEXURE A

To,
The Members,
M/s. RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED
Windsor House, 5th Floor,
CST Road Kalina,
Santacruz (East)
Mumbai - 400098.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For GMJ & ASSOCIATES
Company Secretaries



[Signature]
[MAHESH SONI]
PARTNER

FCS: 3706 COP: 2324

PLACE: MUMBAI

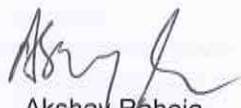
DATE: 18/05/2016

COMPLIANCE CERTIFICATE

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

Mumbai

May 18, 2016



Akshay Raheja

Chairman-CSR Committee



Praveen Gupta

Managing Director & CEO

RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

MANAGEMENT REPORT

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

1. We confirm the validity of Certificate of Registration granted by Insurance Regulatory and Development Authority of India to transact general insurance business, which has been renewed for FY 2015-16.
2. We certify that all dues payable to statutory authorities have been duly paid, including those outstanding as on March 31, 2016, which have been paid in April 2016.
3. We confirm that the shareholding pattern is in accordance with the statutory and regulatory requirements.
4. We confirm that the company did not directly or indirectly invest any policyholder's funds outside India.
5. We confirm that the required solvency margin under the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 has been maintained.
6. We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and in management's belief the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the several headings – "Loans and Advances", "Investments", "Interest", "Sundry Debtors", "Cash", "Interest accruing but not due", "Agents balances", "Amounts due from other persons or Bodies carrying on insurance business" and the several items specified under "Other Accounts".
7. The Company is exposed to a variety of risks associated with general insurance business such as kinds of risks undertaken and fluctuations in value of assets. The Company has adopted a 'Risk Management Strategy' to mitigate the overall risk exposure.
8. We confirm that company does not have operations in any country outside India.
9. The average claims settlement time for FY 2015-16 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 Declined Risk 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 of India 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 of India (IRDAI) regulations and circulars and the internal guidelines set by the Investment committee. The company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. We ensure that all the investments are made with the objective of the effective management of the funds available for Investment. As of the Balance Sheet date 33.12% of investments are made in Government Securities, 11.82% in Housing Bond, 23.67% in Infrastructure Bonds and 31.39% in approved investments. There are no non-performing assets as at the end of the financial year.

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, 2016 and the profit of Rs.103,904 (in thousands) 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) as amended by the Insurance Laws (Amendment) Act, 2015 / Companies Act, 2013 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.

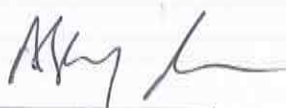
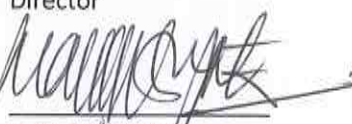


The schedule of payments which have been made to individuals, firms, companies and organizations in which Directors of the insurer are interested is as below:

(Rs. In Thousands)

Sr. No	Name of Director	Entity in which the Director is interested	Interested as	Amount of payment during the financial year	Nature of Payment
1	Mr. Akshay Raheja Mr. Vijay Aggarwal Ms. Ameeta Parpia Mr. Shobhan Thakore Ms. Aneeta Kulkarni	Prism Cement Ltd.	Shareholder Managing Director Director & Shareholder Director Key Management Personnel	392 360	Claim payment Leave and License fee
2	Mr. Akshay Raheja	Windsor Realty Private Ltd.	Director & Shareholder	17,944	Leave and License fee
3	Mr. Akshay Raheja Ms. Ameeta Parpia	Hathway Cable & Datacom Ltd.	Director & Shareholder Director & Shareholder	120	Installation & Subscription Charges
4	Mr. Akshay Raheja	Outlook Publishing (India) Pvt. Ltd.	Shareholder	245	Advertisement
5	Mr. Akshay Raheja	Diabetic Association of India	Member	1,750	Donation
6	Mr. Vijay Aggarwal	Exide Life Insurance Co. Ltd.	Independent Director	216	Group Term Insurance
7	Mr. Bruce Howe	QBE Insurance (International) Ltd.	Chairman	2,602 1,780	Reinsurance Premium Reimbursement of Expenses
8	Mr. Mark Lingafelter	QBE Insurance (Singapore) Pte Ltd.	Director	74	Reinsurance Premium
9	Mr. Akshay Raheja	Sonata Information Technology Ltd.	Shareholder	481	Lotus Notes Renewal AMC
10	Mr. Praveen Gupta	Indo-Australian Chamber of Commerce	Director	5 50 3 30	Subscription charges Sponsorship fees Business summit fees Advertisement

For and on behalf of the Board of Directors


Akshay Raheja
Director

Praveen Gupta
Chief Executive Officer
& Managing Director
Mumbai, Dated: 18th May 2016


Aneeta Kulkarni
Director

Rakesh Sharma
Chief Financial Officer


Bharathi Iyer
Company Secretary



ANNEXURE I - Average Claims Settlement Time and Ageing Analysis of Open Claims

Line of Business	2015-16		2014-15		2013-14		2012-13		2011-12	
	No. of Claims	Average Settlement Time (days)	No. of Claims	Average Settlement Time (days)	No. of Claims	Average Settlement Time (days)	No. of Claims	Average Settlement Time (days)	No. of Claims	Average Settlement Time (days)
Fire	-	-	10	295	3	355	2	219	2	456
Motor OD	-	-	1	549	6	306	7	247	7	122
Motor TP	7	542	5	588	4	584	9	536	-	-
Marine	-	-	-	-	2	610	4	273	3	196
Group Personal Accident	50	80	48	119	38	165	44	134	40	90
Miscellaneous	2	58	32	463	16	373	12	355	7	82
Engineering	2	292	3	267	1	246	7	358	-	-
Liability	48	213	95	351	6	162	6	140	-	-
Workmen Compensation	1	201	4	254	1	740	4	272	-	-

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

Line of Business	Fire		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
Period																		
30 days	-	-	-	-	-	-	4	160	-	-	-	-	-	-	-	-	4	160
30 days to 6 months	1	1455	-	-	-	-	18	6802	-	-	1	125	1	100	1	38	22	8520
6 months to 1 year	-	-	-	-	-	-	35	8190	-	-	-	-	3	969	1	360	39	9519
1 year to 5 years	1	397	-	-	-	-	13	8102	-	-	3	1406	3	609	-	-	20	10514
5 years and above	-	-	-	-	-	-	1	641	-	-	-	-	-	-	-	-	1	641

Ageing Analysis of Open Claims as on 31st March, 2015 (Rs'000)

Line of Business	Fire		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
Period																		
30 days	-	-	-	-	-	-	3	280	-	-	-	-	2	40	-	-	5	320
30 days to 6 months	-	-	-	-	2	760	16	5500	-	-	1	220	2	162	1	304	22	6946
6 months to 1 year	-	-	-	-	-	-	9	14565	-	-	1	420	5	588	-	-	15	15573
1 year to 5 years	-	-	-	-	-	-	6	4480	-	-	5	2611	-	-	-	-	11	7091
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Ageing Analysis of Open Claims as on 31st March, 2014 (Rs'000)

Line of Business	Fire		Marine		Engineering		Liability		Motor Own Damage		Motor TP Pool		Group Personal Accident		Misc.		Total	
Period	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt
30 days	-	-	-	-	-	-	18	4235	-	-	1	208	1	21	1	110	21	4574
30 days to 6 months	-	-	-	-	-	-	7	3288	-	-	2	1225	4	480	11	10101	24	15094
6 months to 1 year	2	2005	-	-	-	-	10	811	-	-	2	1365	2	156	5	1317	21	5654
1 year to 5 years	1	2819	-	-	-	-	25	8956	-	-	1	1010	-	-	2	519	29	13304
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Ageing Analysis of Open Claims as on 31st March, 2013 (Rs'000)

Line of Business	Fire		Marine		Engineering		Liability		Motor Own Damage		Motor TP Pool		Group Personal Accident		Misc.		Total	
Period	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt
30 days	-	-	-	-	-	-	4	220	-	-	-	-	3	57	1	5	8	282
30 days to 6 months	-	-	-	-	1	2125	7	944	1	28	-	-	4	237	4	6548	17	9882
6 months to 1 year	2	4450	-	-	-	-	11	3470	-	-	1	190	1	105	1	20	16	8235
1 year to 5 years	-	-	1	36	-	-	4	1815	1	510	-	-	1	31	1	560	8	2952
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

Line of Business	Fire		Marine		Engineering		Liability		Motor Own Damage		Motor TP Pool		Group Personal Accident		Misc.		Total	
Period	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt	Nos.	Amt
30 days	-	-	-	-	2	595	-	-	-	-	1	3651	9	329	2	121	14	4696
30 days to 6 months	-	-	1	36	1	155	4	520	3	190	2	320	8	491	4	2674	23	4386
6 months to 1 year	-	-	2	676	2	3060	1	150	-	-	2	236	1	101	-	-	8	4223
1 year to 5 years	-	-	-	-	-	-	2	535	-	-	2	194	-	-	-	-	4	729
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



INDEPENDENT AUDITORS' REPORT

To the Members of Raheja QBE General Insurance Company Limited

Report on the financial statements

We have audited the accompanying standalone financial statements of **Raheja QBE General Insurance Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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 then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, specified under sub-section 10 of Section 143 of the Companies Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations, the orders/directions issued by the IRDA and the Companies Act to the extent applicable in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India as applicable to the Insurance Companies:

- a. in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2016;
- b. in the case of the Revenue Accounts, of the operating profit in so far as it relates to the Fire Revenue Account and the Marine Revenue Account and operating loss in so far as it relates to the Miscellaneous Revenue Account for the year ended on that date;
- c. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- d. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Other Matter

The estimate of claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') included under Claims Outstanding as at March 31, 2016 is the responsibility of the Company's Appointed Actuary. The estimate of IBNR and IBNER claims has been duly certified by the Company's Appointed Actuary and in Actuary's opinion assumptions considered for such valuation are in accordance with the guidelines and norms issued by the IRDA and the Institute of Actuaries of India in concurrence with the IRDA. We have relied upon the Appointed Actuary's certificate for forming our opinion on the Financial Statements of the Company.

Report on other Legal and Regulatory requirements

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate of even date in the "Annexure A" on the matters specified in paragraph 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. As required by the IRDA Financial Statements Regulations and sub-section 3 of Section 143 of the Companies Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory;
 - b. In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company, so far as it 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 this report are in agreement with the books of account;
 - e. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDA in this regard;



- f. In our opinion and to the best of our information and according to the explanations given to us, investments of the Company have been valued in accordance with the provisions of the Insurance Act, the Regulations and / or orders/directions issued by IRDA in this regard;
- g. The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDA in this behalf; and
- h. On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of sub-section 2 of Section 164 of the Companies Act;
- i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 3.1.1 to the financial statements;
- ii. the Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. the Company does not have any pending amount, required to be transferred, to the Investor Education and Protection Fund.

For **UTTAM ABUWALA & CO.**
Chartered Accountants
Firm Reg. No.: 111184W



CA Urmish Mehta
Partner
M. No. 137150

Place: Mumbai
Date : May 18, 2016



For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W



CA Vipul K Choksi
Partner
M. No. 37606



Annexure A

INDEPENDENT AUDITORS' CERTIFICATE

Annexure Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated May 18, 2016

This Certificate is issued in respect of matters specified in paragraph 3 and 4 of Schedule C to the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002 read with Regulation 3 of the IRDA Financial Statements Regulations.

Management's responsibility for compliance and preparation of the Statement

The Company's Management is responsible for complying with the provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act") the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority (the "IRDA") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

Auditor's responsibility

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

Conclusion

Based on the information and explanations given to us and to the best of our knowledge and belief and based on such checks as considered appropriate by us of the books of account and other records maintained by the Company for the year ended March 31, 2016, we certify that:

1. We have reviewed the Management report attached to the financial statements for the year ended March 31, 2016, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
2. Based on the management representations and compliance certificates submitted to the board of Directors by the officers of the company charged with compliance and the same been noted by the board, we certify that the company has complied with the terms and conditions of registration stipulated by IRDA;
3. 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;



4. The Company is not the trustee of any other trust; and
5. 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.

Restriction of use

This certificate has been issued to comply with paragraph 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, and is not intended to be used or distributed for any other purpose.

For **UTTAM ABUWALA & CO.**
Chartered Accountants
Firm Reg. No.: 111184W

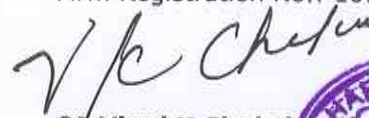


CA Urmish Mehta
Partner
M. No. 137150

Place: Mumbai
Date : May 18, 2016



For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W



CA Vipul K Choksi
Partner
M. No. 37606



Annexure B

Annexure to the independent auditor's report of even date on the financial statements of Raheja QBE General Insurance Company Limited

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

We have audited the internal financial controls over financial reporting of **Raheja QBE General Insurance Company Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

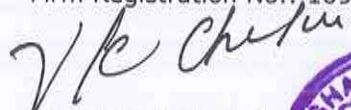
For **UTTAM ABUWALA & CO.**
Chartered Accountants
Firm Reg. No.: 111184W



CA Urmish Mehta
Partner
M. No. 137150

Place: Mumbai
Date : May 18, 2016

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W



CA Vipul K Choksi
Partner
M. No. 37606





RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

BALANCE SHEET AS AT 31ST MARCH, 2016

(Rs. '000)

Particulars	Schedule	31.03.2016	31.03.2015
Sources of Funds			
Share Capital	5	20,70,000	20,70,000
Share Application Money	-	-	-
Reserves and Surplus	6	2,01,668	97,763
Fair Value Change Account	-	2,229	2,311
Borrowings	7	-	-
Total		22,73,897	21,70,074
Application of Funds			
Investments	8	25,56,683	24,00,120
Loans	9	-	-
Fixed Assets	10		
Gross Block		47,966	47,080
Less: Accumulated Depreciation		43,448	41,777
Net Block		4,518	5,303
Deferred Tax Asset (Net)		12,646	4,773
Current Assets			
Cash and Bank Balances	11	15,396	1,55,979
Advances and Other Assets	12	1,57,159	1,24,186
Sub-Total (A)		1,72,555	2,80,165
Current Liabilities			
Provisions	13	2,39,465	3,18,096
	14	2,33,040	2,02,191
Sub-Total (B)		4,72,505	5,20,287
Net Current Assets (C = A - B)		(2,99,950)	(2,40,122)
Miscellaneous Expenditure	15	-	-
(to the extent not written off or adjusted)			
Debit balance in Profit and Loss Account		-	-
Total		22,73,897	21,70,074
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 Uttam Abuwala & Co.
Chartered Accountants
Firm Registration No. 111184W

CA. Urmish Mehta
Partner
Membership No. 137150

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

CA. Vipul K. Choksi
Partner
Membership No. 37606

For and on behalf of the Board of Directors

Akshay Raheja
Director

Aneeta Kulkarni
Director

Praveen Gupta
Managing Director &
Chief Executive Officer

Rakesh Sharma
Chief Financial Officer

Bharathi Iyer
Company Secretary

Mumbai,
Date: 18th May, 2016

Mumbai,
Date: 18th May, 2016





RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. '000)

Particulars	Schedule	For the year ended 31.03.2016	For the year ended 31.03.2015
1. Operating Profit / (Loss) transferred from Revenue Account			
a. Fire Insurance		1,603	(3,577)
b. Marine Insurance		15	150
c. Miscellaneous Insurance		(23,321)	1,517
		(21,702)	(1,911)
2. Income from Investments			
a) Interest, Dividend & Rent – Gross		1,74,375	1,78,574
b) Profit on sale/redemption of investments		6,857	5,527
Less: loss on sale of investments		-	-
Profit / (Loss) on Sale of Assets		512	(10)
3. Other Income			
TOTAL (A)		1,60,042	1,82,180
4. Provisions (other than taxation)			
a) For diminution in the value of investment		-	-
b) For doubtful debts		-	-
c) Others		-	-
5. Other Expenses			
a) Expenditure other than those related to Insurance Business	4A	12,588	12,689
b) Bad debts written off		-	-
c) CSR Expenditure		2,250	1,500
TOTAL (B)		14,838	14,189
Profit/ (Loss) Before Tax		1,45,204	1,67,991
Provision for Taxation			
Current Tax/MAT payable		49,174	57,573
MAT Credit Entitlement		-	2,177
Excess provision written back		-	-
Deferred Tax (Income)/ Expense		(7,874)	1,548
Wealth Tax		41,300	61,298
Net Profit/ (Loss) After Tax		1,03,904	1,06,693
Appropriations			
a) Interim dividend paid during the year		-	-
b) Proposed final dividend		-	-
c) Dividend distribution tax		-	-
d) Transfer to any reserve or Other Accounts		-	-
e) Transfer to Contingency Reserve for Unexpired Risks		-	-
Add: Balance brought forward from last year		97,763	(8,931)
Balance carried forward to Balance Sheet		2,01,668	97,763
Significant Accounting Policies & Notes to Accounts	16		
Basic & Diluted Earning per Share (Face value per share Rs.10)		0.50	0.52

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

As per our Report of even date attached.

For Uttam Abuwala & Co.
Chartered Accountants
Firm Registration No. 111184W

Urmish
CA. Urmish Mehta
Partner
Membership No. 137150

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

V K Choksi
CA. Vipul K. Choksi
Partner
Membership No. 37606

For and on behalf of the Board of Directors

Akshay
Akshay Rajhja
Director

Aneeta Kulkarni
Aneeta Kulkarni
Director

Praveen Gupta
Praveen Gupta
Managing Director &
Chief Executive Officer

Rakesh Sharma
Rakesh Sharma
Chief Financial Officer

Bharathi Iyer
Bharathi Iyer
Company Secretary

Mumbai,
Date: 18th May, 2016

Mumbai,
Date: 18th May, 2016





RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs '000)

Particulars	Schedule	For the year ended 31.03.2016				For the year ended 31.03.2015			
		Fire	Marine	Miscellaneous	Total	Fire	Marine	Miscellaneous	Total
Premiums earned (Net)	1	3,547	152	2,11,207	2,14,906	4,668	82	1,90,452	1,95,202
Profit / Loss on sale/redemption of Investments		36	1	1,131	1,168	24	0	736	760
Others - Foreign Exchange Gain / (Loss)		-	-	45	45	-	-	16	16
Others - Investment Income from Terrorism Pool		1,464	-	354	1,818	1,345	-	319	1,664
Interest, Dividend & Rent - Gross		913	26	28,754	29,693	775	2	23,782	24,559
TOTAL (A)		5,960	179	2,41,491	2,47,630	6,812	84	2,15,305	2,22,201
Claims Incurred (Net)	2	2,195	(26)	51,333	53,502	7,281	(85)	46,963	54,159
Commission	3	262	(2)	44,436	44,696	261	5	35,942	36,208
Operating Expenses related to Insurance Business	4	1,925	191	1,71,960	1,74,076	2,844	15	1,33,088	1,35,947
Premium Deficiency Reserve		(25)	-	(2,917)	(2,942)	3	-	(2,205)	(2,202)
TOTAL (B)		4,357	163	2,64,812	2,69,332	10,389	(66)	2,13,789	2,24,112
Operating Profit/(Loss) from Fire/ Marine/ Miscellaneous Business C = (A - B)		1,603	15	(23,321)	(21,702)	(3,577)	150	1,517	(1,911)
Appropriations									
Transfer to Shareholder's Account		-	-	-	-	-	-	-	-
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-	-
TOTAL (C)		1,603	15	(23,321)	(21,702)	(3,577)	150	1,517	(1,911)

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 Uttam Abuwala & Co.
Chartered Accountants
Firm Registration No. 111184W

CA. Urmish Mehta
Partner
Membership No. 137150

Mumbai,
Date: 18th May, 2016

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 105574W

CA. Vipul K. Choksi
Partner
Membership No. 37606

For and on behalf of the Board of Directors

Akshay Raheja
Director

Aneeta Kulkarni
Director

Praveen Gupta
Chief Executive Officer
& Managing Director

Rakesh Sharma
Chief Financial Officer

Bharathi Iyer
Company Secretary

Mumbai,
Date: 18th May, 2016





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, 2016

Schedule- 1

Premium Earned (Net)

(Rs '000)

Particulars	Year	Premium from direct business written	Premium on rein-surance accepted	Premium on reinsurance ceded	Net Premium	Adjustment for change in reserve for unexpired risks	Net Premium Earned
1	2	3	4	5	6	7	8
Fire	2015-16	7,686	3,642	8,502	2,826	(721)	3,547
	2014-15	6,236	2,923	4,891	4,268	(400)	4,668
Marine Cargo	2015-16	323	-	42	281	129	152
	2014-15	27	-	5	23	(59)	82
Marine Hull	2015-16	-	-	-	-	-	-
	2014-15	-	-	-	-	-	-
Marine Total	2015-16	323	-	42	281	129	152
	2014-15	27	-	5	23	(59)	82
Motor (OD)	2015-16	83	-	22	61	58	3
	2014-15	-	-	-	-	-	-
Motor (TP)	2015-16	54,199	(8)	11,166	43,025	31,668	11,357
	2014-15	4,152	-	922	3,230	(628)	3,857
Employer's Liability	2015-16	2,709	-	551	2,158	433	1,725
	2014-15	1,643	-	352	1,291	23	1,268
Public Liability	2015-16	47,383	7,268	19,130	35,521	2,651	32,871
	2014-15	38,409	4,613	12,758	30,264	(1,408)	31,672
Other Liability	2015-16	1,65,858	69,372	67,693	1,67,537	7,286	1,60,251
	2014-15	1,54,852	66,144	58,396	1,62,601	14,384	1,48,216
Engineering	2015-16	3,090	422	1,444	2,067	158	1,909
	2014-15	3,101	359	1,709	1,750	(744)	2,495
Aviation	2015-16	-	-	-	-	-	-
	2014-15	-	-	-	-	-	-
Personal Accident	2015-16	1,364	-	312	1,052	(720)	1,772
	2014-15	3,032	-	634	2,398	(888)	3,285
Health	2015-16	177	-	9	168	27	141
	2014-15	140	-	7	133	(46)	179
Other Misc.	2015-16	4,720	-	3,789	931	(247)	1,178
	2014-15	4,673	-	6,611	(1,938)	(1,417)	(520)
Misc Total	2015-16	2,79,583	77,055	1,04,116	2,52,521	41,314	2,11,207
	2014-15	2,10,003	71,116	81,389	1,99,729	9,277	1,90,452
Total	2015-16	2,87,592	80,697	1,12,660	2,55,628	40,722	2,14,906
	2014-15	2,16,266	74,039	86,285	2,04,020	8,818	1,95,202





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, 2016

Schedule – 2

Claims Incurred (Net)

(Rs '000)

Particulars	Year	Claims Paid from direct business written	Claims Paid on rein-surance accepted	Claims Recovered on rein-surance ceded	Net Claims Paid	Out-standing Claims at the closing of the year	Out-standing Claims at the beginning of the year	Net Claims Incurred
1	2	3	4	5	6	7	8	9
Fire	2015-16	14	1	1	14	4,649	2,467	2,195
	2014-15	14,317	3	2,362	11,958	2,467	7,143	7,281
Marine Cargo	2015-16	-	-	-	-	106	131	(26)
	2014-15	-	-	-	-	131	217	(85)
Marine Hull	2015-16	-	-	-	-	-	-	-
	2014-15	-	-	-	-	-	-	-
Marine Total	2015-16	-	-	-	-	106	131	(26)
	2014-15	-	-	-	-	131	217	(85)
Motor (OD)	2015-16	-	-	-	-	22	93	(70)
	2014-15	-	-	-	-	93	282	(189)
Motor (TP)	2015-16	2,766	(16)	375	2,375	23,969	14,021	12,322
	2014-15	1,710	-	259	1,450	14,021	19,842	(4,371)
Employer's Liability	2015-16	8	-	0	7	1,709	1,290	426
	2014-15	257	-	14	243	1,290	1,266	268
Public Liability	2015-16	98	-	12	86	21,502	12,307	9,281
	2014-15	25	-	1	23	12,307	9,108	3,223
Other Liability	2015-16	17,189	45	1,972	15,261	97,563	85,639	27,185
	2014-15	2,528	-	260	2,268	85,639	50,538	37,368
Engineering	2015-16	1,180	9	118	1,071	1,131	1,900	303
	2014-15	2,061	14	1,712	363	1,900	1,117	1,146
Aviation	2015-16	-	-	-	-	-	-	-
	2014-15	-	-	-	-	-	-	-
Personal Accident	2015-16	1,121	68	56	1,133	3,138	2,551	1,720
	2014-15	1,395	2,532	88	3,839	2,551	2,434	3,956
Health	2015-16	-	-	-	-	386	305	81
	2014-15	-	-	-	-	305	182	123
Other Misc.	2015-16	-	-	-	-	458	373	85
	2014-15	59,294	-	26,798	32,496	373	27,429	5,440
Misc Total	2015-16	22,361	106	2,534	19,934	1,49,878	1,18,478	51,333
	2014-15	67,270	2,546	29,134	40,683	1,18,478	1,12,197	46,963
Total	2015-16	22,375	107	2,535	19,947	1,54,632	1,21,077	53,502
	2014-15	81,587	2,549	31,496	52,641	1,21,077	1,19,557	54,159



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Schedule – 3

Commission (Net)

(Rs '000)

Particulars	Year	Commission paid on direct business	Total (A)	Commission paid on reinsurance accepted	Commission received from reinsurance ceded	Net commission
1	2	3	4	5	6	7
Fire	2015-16	1,081	1,081	443	1,261	262
	2014-15	637	637	305	681	261
Marine Cargo	2015-16	0	0	-	2	(2)
	2014-15	5	5	-	0	5
Marine Hull	2015-16	-	-	-	-	-
	2014-15	-	-	-	-	-
Marine Total	2015-16	0	0	-	2	(2)
	2014-15	5	5	-	0	5
Motor (OD)	2015-16	0	-	-	2	(2)
	2014-15	-	-	-	-	-
Motor (TP)	2015-16	176	176	-	407	(230)
	2014-15	3	3	-	31	(28)
Employer's Liability	2015-16	271	271	-	21	250
	2014-15	160	160	-	13	147
Public Liability	2015-16	7,323	7,323	998	1,287	7,035
	2014-15	5,915	5,915	681	1,068	5,528
Other Liability	2015-16	27,304	27,304	13,153	3,468	36,989
	2014-15	25,115	25,115	9,695	4,424	30,387
Engineering	2015-16	369	369	46	103	313
	2014-15	364	364	27	181	210
Aviation	2015-16	-	-	-	-	-
	2014-15	-	-	-	-	-
Personal Accident	2015-16	77	77	-	7	70
	2014-15	72	72	-	15	57
Health	2015-16	30	30	-	1	29
	2014-15	25	25	-	1	24
Other Misc.	2015-16	700	700	-	716	(16)
	2014-15	689	689	-	1,072	(383)
Misc Total	2015-16	36,249	36,249	14,198	6,011	44,436
	2014-15	32,343	32,343	10,403	6,805	35,942
Total	2015-16	37,330	37,330	14,640	7,274	44,696
	2014-15	32,985	32,985	10,708	7,486	36,208





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, 2016

Schedule – 3A

Commission Paid - Direct

(Rs '000)

Particulars	Year	Agents	Brokers	Corporate Agency	Referral	Others	Total (B)
1	2	3	4	5	6	7	8
Fire	2015-16	-	1,081	-	-	-	1,081
	2014-15	10	627	-	-	-	637
Marine Cargo	2015-16	-	0	-	-	-	0
	2014-15	-	5	-	-	-	5
Marine Hull	2015-16	-	-	-	-	-	-
	2014-15	-	-	-	-	-	-
Marine Total	2015-16	-	0	-	-	-	0
	2014-15	-	5	-	-	-	5
Motor (OD)	2015-16	-	0	-	-	-	0
	2014-15	-	-	-	-	-	-
Motor (TP)	2015-16	-	176	-	-	-	176
	2014-15	-	3	-	-	-	3
Employer's Liability	2015-16	2	268	-	-	-	271
	2014-15	2	158	-	-	-	160
Public Liability	2015-16	61	7,262	-	-	-	7,322
	2014-15	80	5,835	-	-	-	5,915
Other Liability	2015-16	622	26,682	-	-	-	27,304
	2014-15	644	24,471	-	-	-	25,115
Engineering	2015-16	-	369	-	-	-	369
	2014-15	-	364	-	-	-	364
Aviation	2015-16	-	-	-	-	-	-
	2014-15	-	-	-	-	-	-
Personal Accident	2015-16	-	77	-	-	-	77
	2014-15	-	72	-	-	-	72
Health	2015-16	-	30	-	-	-	30
	2014-15	-	25	-	-	-	25
Other Misc.	2015-16	-	700	-	-	-	700
	2014-15	-	689	-	-	-	689
Misc Total	2015-16	685	35,564	-	-	-	36,249
	2014-15	726	31,617	-	-	-	32,343
Total	2015-16	685	36,645	-	-	-	37,330
	2014-15	735	32,249	-	-	-	32,985



RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

(Rs '000)

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Schedule - 4	2015-16				2014-15			
	Fire	Marine	Miscellaneous*	Total	Fire	Marine	Miscellaneous *	Total
Expenditure related to Insurance Business								
Employees' remuneration & welfare benefits	923	92	82,465	83,480	1,386	7	64,840	66,233
Travel, conveyance and vehicle running expenses	70	7	6,286	6,363	139	1	6,514	6,654
Training Expenses	11	1	949	961	66	0	3,085	3,151
Rents, rates & taxes	257	26	22,947	23,229	509	3	23,829	24,341
Repairs	40	4	3,545	3,589	85	0	3,955	4,040
Printing & Stationery	5	1	467	473	9	0	419	428
Communication Expenses	33	3	2,937	2,974	57	0	2,645	2,702
Legal & professional charges	357	35	31,885	32,277	169	1	7,908	8,078
Auditor's fees, expenses etc.								
a) As auditor	8	1	693	702	13	0	620	633
b) As adviser or in any other capacity, in respect of								
i) Taxation matters	2	0	191	194	4	0	172	176
ii) Insurance matters	2	0	147	149	3	0	135	138
iii) Management Services and								
c) in any other capacity	0	0	11	11	-	-	-	-
Advertisement and Publicity	7	1	634	641	8	0	396	405
Interest and Bank Charges	1	0	86	87	2	0	100	102
Others								
a) Office maintenance expenses	80	8	7,136	7,224	142	1	6,622	6,765
b) Subscriptions and membership fees	28	3	2,498	2,528	53	0	2,484	2,538
c) Miscellaneous expenses	49	5	4,369	4,423	85	0	3,963	4,048
d) Entertainment Expenses	12	1	1,112	1,126	17	0	813	830
Depreciation	40	4	3,600	3,644	98	1	4,588	4,687
TOTAL	1,925	191	1,71,959	1,74,076	2,844	15	1,33,088	1,35,947





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, 2016

(Rs '000)

Schedule - 4A	2015-16	2014-15
Expenditure other than those related to Insurance Business		
Employees' remuneration & welfare benefits	12,004	12,154
Travel, conveyance and vehicle running expenses	-	-
Training Expenses	-	-
Rents, rates & taxes	-	-
Repairs	-	-
Printing & Stationery	-	-
Communication	-	-
Legal & professional charges	180	180
Auditor's fees, expenses etc.		
a) As auditor	-	-
b) As adviser or in any other capacity, in respect of	-	-
i) Taxation matters	-	-
ii) Insurance matters	-	-
iii) Management Services and	-	-
c) in any other capacity	-	-
Advertisement and Publicity	-	-
Interest and Bank Charges	403	355
Others		
a) Office maintenance expenses	-	-
b) Recruitment & Training expenses	-	-
c) Subscriptions and membership fees	-	-
d) Miscellaneous expenses	-	-
e) Entertainment Expenses	-	-
Depreciation	-	-
TOTAL	12,588	12,689



* Miscellaneous	2015-16											2014-15										
	Motor (OD)	Motor (TP)	Employer's Liability	Public Liability	Other Liability	Engineering	Aviation	Personal Accident	Health	Other Misc.	Total	Motor (OD)	Motor (TP)	Employer's Liability	Public Liability	Other Liability	Engineering	Aviation	Personal Accident	Health	Other Misc.	Total
Employees' remuneration & welfare benefits	20	14,051	705	11,500	54,712	675	-	343	55	304	82,465	-	1,049	419	9,825	52,786	568	-	778	43	(629)	84,840
Travel, conveyance and vehicle running expenses	2	1,071	54	884	4,170	51	-	26	4	23	6,286	-	105	42	987	5,303	57	-	78	4	(63)	6,514
Training Expenses	0	162	8	133	630	8	-	4	1	3	949	-	50	20	467	2,511	27	-	37	2	(30)	3,085
Rents, rates & taxes	6	3,910	196	3,228	15,224	188	-	96	15	85	22,947	-	385	154	3,611	19,400	209	-	286	16	(231)	23,829
Repairs	1	604	30	499	2,352	29	-	15	2	13	3,545	-	64	26	599	3,220	35	-	47	3	(38)	3,955
Printing & Stationery	0	80	4	66	310	4	-	2	0	2	467	-	7	3	63	341	4	-	5	0	(4)	419
Communication Expenses	1	500	25	413	1,949	24	-	12	2	11	2,937	-	43	17	401	2,153	23	-	32	2	(26)	2,645
Legal & professional charges	8	5,433	272	4,485	21,154	261	-	133	21	118	31,885	-	128	51	1,198	6,438	69	-	95	5	(77)	7,908
Auditor's fees, expenses etc.																						
a) As auditor	0	118	6	98	460	6	-	3	0	3	693	-	10	4	94	504	5	-	7	0	(6)	620
b) As adviser or in any other capacity, in respect of																						
i) Taxation matters	0	33	2	27	127	2	-	1	0	-	191	-	3	1	26	140	2	-	2	0	(3)	172
ii) Insurance matters	0	25	1	21	97	1	-	1	0	1	147	-	2	1	20	110	1	-	2	0	(1)	135
iii) Management Services and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) in any other capacity	0	2	-	2	7	0	-	0	0	-	11	-	-	-	-	-	-	-	-	-	-	-
Advertisement and Publicity	0	108	5	89	420	5	-	3	0	2	634	-	6	3	60	323	3	-	5	0	(4)	396
Interest and Bank Charges	0	15	-	12	57	1	-	0	0	-	86	-	2	-	15	81	1	-	1	0	(1)	100
Others																						
a) Office maintenance expenses	2	1,216	61	1,004	4,735	58	-	30	5	26	7,136	-	107	43	1,003	5,391	58	-	79	4	(64)	6,622
b) Subscriptions and membership fees	1	426	21	351	1,657	20	-	10	2	9	2,498	-	40	16	376	2,023	22	-	30	2	(24)	2,484
c) Miscellaneous expenses	1	744	37	615	2,899	36	-	18	3	16	4,369	-	64	26	600	3,226	35	-	48	3	(38)	3,963
d) Entertainment Expenses	0	190	10	156	738	9	-	5	1	4	1,112	-	13	5	123	662	7	-	10	1	(8)	813
Depreciation	1	613	31	506	2,389	29	-	15	2	13	3,600	-	74	30	695	3,735	40	-	55	3	(45)	4,388
TOTAL	42	29,299	1,469	24,389	1,14,088	1,408	-	716	115	634	1,71,959	-	2,152	860	20,166	1,08,348	1,166	-	1,598	92	(1,291)	1,33,088



**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, 2016

(Rs '000)

Schedule - 5	As at 31.03.2016	As at 31.03.2015
Share Capital		
Authorised Capital		
22,00,00,000(Previous year 22,00,00,000) Equity Shares of Rs10 each	22,00,000	22,00,000
Issued Capital		
20,70,00,000 (Previous year 20,70,00,000) Equity Shares of Rs10 each fully paid up	20,70,000	20,70,000
Subscribed Capital		
20,70,00,000 (Previous year 20,70,00,000) Equity Shares of Rs10 each fully paid up	20,70,000	20,70,000
Called up Capital		
20,70,00,000 (Previous year 20,70,00,000) Equity Shares of Rs10 each fully paid up	20,70,000	20,70,000
Less: Calls unpaid	-	-
Add: Equity shares forfeited (amount originally paid up)	-	-
Less: Par value of Equity Shares bought back	-	-
Less: Preliminary expenses to the extent not written off	-	-
Less: Expense including commission or brokerage on underwriting or subscription of Shares	-	-
Total	20,70,000	20,70,000

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

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Schedule - 5A	As at 31.03.2016		As at 31.03.2015	
Pattern of Share Holding (As certified by the Management)				
Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters				
-Indian	15,31,80,000	74%	15,31,80,000	74%
-Foreign	5,38,20,000	26%	5,38,20,000	26%
Others	-	-	-	-
Total	20,70,00,000	100%	20,70,00,000	100%

(Rs '000)

Schedule - 6	As at 31.03.2016		As at 31.03.2015
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		2,01,668	97,763
Total		2,01,668	97,763

(Rs '000)

Schedule - 7	As at 31.03.2016		As at 31.03.2015
Borrowings			
Debentures /Bonds		-	-
Banks		-	-
Financial Institutions		-	-
Others		-	-
Total		-	-





RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. '000)

Schedule - 8	As at 31.03.2016	As at 31.03.2015
Investments		
Long Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	4,04,146	1,49,558
Other Approved Securities	-	-
Other Investments	-	-
a) Shares	-	-
aa) Equity	-	-
bb) Preference	-	-
b) Mutual Funds	-	-
c) Derivative Instruments	-	-
d) Debentures/ Bonds	4,52,071	6,55,998
e) Other Securities	-	-
i) Fixed Deposits	-	-
ii) Certificate of Deposits	-	-
f) Subsidiaries	-	-
g) Investment Properties - Real Estate	-	-
Investments in Infrastructure and Social Sector	4,05,058	5,05,227
Other than Approved Investments	-	-
Total (A)	12,61,275	13,10,783
Short Term Investments		
Government securities and Government guaranteed bonds including Treasury Bills	4,42,683	6,32,861
Other Approved Securities	-	-
Other Investments	-	-
a) Shares	-	-
aa) Equity	-	-
bb) Preference	-	-
b) Mutual Funds	1,23,569	80,422
c) Derivative Instruments	-	-
d) Debentures/ Bonds	4,00,899	1,49,949
e) Other Securities	-	-
i) Fixed Deposits	1,28,145	2,26,105
ii) Certificate of Deposits	-	-
f) Subsidiaries	-	-
g) Investment Properties - Real Estate	-	-
Investments in Infrastructure and Social Sector	2,00,112	-
Other than Approved Investments	-	-
Total (B)	12,95,408	10,89,337
Total (A+B)	25,56,683	24,00,120

Notes:

1. Aggregate book value of investments other than listed equity shares is Rs. 2,556,683 thousands. (Previous year Rs. 2,400,120 thousands)
2. Aggregate market value of investments other than listed equity shares is Rs. 2,568,602 thousands. (Previous year Rs. 2,410,469 thousand)
3. Investments of Rs. 1,295,408 thousands (previous year Rs. 1,089,337 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.



SCHEDULE 10 : FIXED ASSETS
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016
(Rs '000)

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 1-Apr-15	Addi- tions	Deduc- tions	As at 31-Mar-16	Up to 1-Apr-15	For the year	Deductions/ Adjustments	Up to 31-Mar-16	As at 31-Mar-16 As at 31-Mar-15
Goodwill	-	-	-	-	-	-	-	-	-
Intangibles - Computer Software	10,058	-	-	10,058	9,669	312	-	9,981	389
Land - Freehold	-	-	-	-	-	-	-	-	-
Leasehold Improvements	11,120	-	-	11,120	9,571	1,551	-	11,119	1,549
Buildings	-	-	-	-	-	-	-	-	-
Furniture & Fittings	3,919	-	-	3,919	1,939	563	-	2,502	1,980
Information Technology Equipment	17,569	147	-	17,716	16,336	678	-	17,014	1,233
Vehicles	1,974	2,674	1,974	2,674	1,974	469	1,974	469	-
Office Equipment	2,440	38	-	2,478	2,288	74	-	2,362	152
Others	-	-	-	-	-	-	-	-	-
TOTAL	47,080	2,859	1,974	47,966	41,777	3,645	1,974	43,448	5,303
WORK - IN - PROGRESS	-	-	-	-	-	-	-	-	-
GRAND TOTAL	47,080	2,859	1,974	47,966	41,777	3,645	1,974	43,448	5,303
Previous Year	46,678	772	370	47,080	37,450	4,685	360	41,777	9,228





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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. '000)

Schedule - 9	As at 31.03.2016	As at 31.03.2015
Loans		
Security-wise classification		
Secured		
a) On mortgage of property		
aa) In India	-	-
bb) Outside India	-	-
b) On Shares, Bonds, Government Securities	-	-
c) Others	-	-
Unsecured	-	-
Total	-	-
Borrower-wise classification		
a) Central and State Government	-	-
b) Banks and Financial Institutions	-	-
c) Subsidiaries	-	-
d) Industrial Undertakings	-	-
e) Others	-	-
Total	-	-
Performance wise classification		
a) Loans classified as standard		
aa) In India	-	-
bb) Outside India	-	-
b) Non-performing loans less provisions		
aa) In India	-	-
bb) Outside India	-	-
Total	-	-
Maturity wise classification		
a) Short Term	-	-
b) Long Term	-	-
Total	-	-

(Rs. '000)

Schedule - 11	As at 31.03.2016	As at 31.03.2015
Cash and Bank Balances		
Cash (including cheques, drafts and stamps)	26	59
Bank Balances		
a) Deposit Accounts		
aa) Short Term (due with in 12 months)	-	-
bb) Others	-	-
b) Current Accounts	15,370	1,55,920
c) Others		
Money at Call and Short Notice		
a) with Banks	-	-
b) with other Institutions	-	-
Others		
Total	15,396	1,55,979
Balances with non scheduled banks included in above	-	0





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, 2016

(Rs. '000)

Schedule - 12	As at 31.03.2016	As at 31.03.2015
Advances and Other Assets		
Advances		
Reserve deposits with ceding companies	-	-
Application Money for investments	-	-
Prepayments	5,394	4,645
Advance to Directors/Officers	-	-
Advance tax paid and taxes deducted at source (Net of provision for taxation)	-	-
MAT Credit Entitlement	-	-
Others		
a) Service Tax Unutilized Credit	862	1,191
b) Advance to employees	-	-
c) Other Advances	0	694
Total (A)	6,256	6,530
Other Assets		
Income accrued on investments	1,06,643	82,252
Outstanding Premiums	-	-
Agent's balances	-	-
Foreign agencies balances	-	-
Due from other entities carrying on insurance business (including reinsurers)	25,373	16,533
Due from Subsidiaries/holding	-	-
Deposit with Reserve Bank of India pursuant to section 7 of Insurance Act, 1938	-	-
Others - Rental Deposits	18,560	18,560
Other Deposits	327	311
Total (B)	1,50,903	1,17,656
Total (A+B)	1,57,159	1,24,186

(Rs. '000)

Schedule - 13	As at 31.03.2016	As at 31.03.2015
Current Liabilities		
Agents' Balances	7,391	8,261
Balances due to other insurance companies	30,325	22,832
Deposits held on re-insurance ceded	-	-
Premium received in Advance	2,681	1,684
Unallocated Premium	5,322	585
Sundry creditors	31,095	1,61,511
Due to subsidiaries/holding company	-	-
Claims Outstanding	1,54,632	1,21,077
Due to Officers/Directors	-	-
Dues to Policyholders	-	-
Unclaimed amount of Policyholders	2,203	39
Others		
-Service Tax Liability	1,339	-
-TDS payable	4,478	5,817
Total	2,39,466	3,18,096

(Rs. '000)

Schedule - 14	As at 31.03.2016	As at 31.03.2015
Provisions		
Reserve for Unexpired Risk	2,09,827	1,69,105
Reserve for Premium Deficiency	27	2,969
For taxation (less advance tax paid and taxes deducted at source)	1,598	11,086
For Proposed Dividend	-	-
For Dividend distributions tax	-	-
Others - Provision for Employee Benefits	21,588	19,031
Total	2,33,040	2,02,191

(Rs. '000)

Schedule - 15	As at 31.03.2016	As at 31.03.2015
Miscellaneous Expenditure (To the extent not written off or adjusted)		
Discount allowed in issue of shares/ debentures	-	-
Others	-	-
Total	-	-





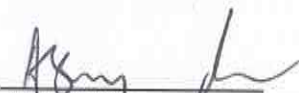
RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

Balance Sheet Abstract and Company's general business profile for the year ended 31st March, 2016

I.	Registration Details		State Code : <input type="text" value="11"/>						
	Registration No.	<input type="text" value="U66030MH2007PLC173129"/>							
	Balance Sheet Date	<table border="1"> <tr> <th>Date</th> <th>Month</th> <th>Year</th> </tr> <tr> <td>31</td> <td>3</td> <td>2016</td> </tr> </table>	Date	Month	Year	31	3	2016	
Date	Month	Year							
31	3	2016							
II.	Capital raised during the period (Amounts in Rs. thousands)								
	Public Issue	<input type="text" value="Nil"/>	Rights Issue <input type="text" value="Nil"/>						
	Bonus Issue	<input type="text" value="Nil"/>	Private Placement <input type="text" value="Nil"/>						
III.	Position of Mobilisation and Deployment of Funds (Amounts in Rs. thousands)								
	Total Liabilities	<input type="text" value="22,73,897"/>	Total Assets <input type="text" value="22,73,897"/>						
	Sources of Funds								
	Paid-up Capital	<input type="text" value="20,70,000"/>	Reserves & Surplus <input type="text" value="2,03,896"/>						
	Loans	<input type="text" value="Nil"/>	Deferred Tax Liability <input type="text" value="Nil"/>						
	Application of Funds								
	Net Fixed Assets	<input type="text" value="4,518"/>	Investments <input type="text" value="25,56,683"/>						
	Net Current Assets	<input type="text" value="(2,99,950)"/>	Miscellaneous Expenditure <input type="text" value="-"/>						
IV.	Performance of Company (Amount in Rs. thousands)								
	Total Revenue	<input type="text" value="5,82,711"/>	Total Expenditure <input type="text" value="4,37,508"/>						
	Profit/Loss before Tax (tick appropriate box + for Profit, - for Loss)	<input type="text" value="+ 1,45,204"/>	Profit/(Loss) after Tax <input type="text" value="+ 1,03,904"/>						
	Earning Per Share in Rs.	<input type="text" value="- (0.50)"/>	Dividend rate % <input type="text" value="Nil"/>						
V.	Generic Name of the principal products/services of company								
	Item Code No. (ITC Code)	<input type="text" value="-"/>							
	Product description	<input type="text" value="General Insurance"/>							

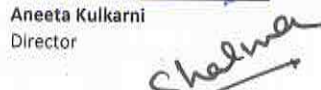
Note : The Company being an insurance Company, the accounts of the Company are not required to be made in accordance with Schedule VI. Further, the Insurance Act, 1938 requires the financial statement of the Company to be split in Revenue Accounts and Profit and Loss Account. In view of this, it is not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

For and on behalf of the Board of Directors


Akshay Raheja
Director


Aneeta Kulkarni
Director


Praveen Gupta
Chief Executive Officer
& Managing Director


Rakesh Sharma
Chief Financial Officer


Bharathi Iyer
Company Secretary

Mumbai
Date: 18th May, 2016





RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs.'000)

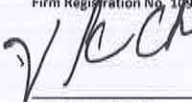
Particulars	YEAR ENDED 31ST MARCH, 2016	YEAR ENDED 31ST MARCH, 2015
Cash flows from operating activities		
Premium received including advance premium & Service tax net of refund	3,84,045	3,03,079
Payment to Reinsurers / Coinsurers net of claims & commissions	(1,20,095)	(95,595)
Receipt from Reinsurers / coinsurers net of claims recovery	32,821	10,452
Claims paid	(19,526)	(84,144)
Commission paid	(39,368)	(31,392)
Payment of Other Operating Expenses	(1,52,328)	(1,31,486)
Service tax paid	(22,819)	(22,888)
Income tax paid	(87,383)	(63,749)
Other Receipt/ Paid	19	(2,364)
Miscellaneous Income	-	-
Net Cash Flow from Operating Activities	(24,634)	(1,18,087)
Cash flows from investing activities		
Purchase of investments (Net)	(16,53,366)	(17,57,014)
Sale of investments (including gain/loss)	13,72,906	18,94,355
Purchase of fixed Assets	(2,849)	(772)
Sale of Fixed Assets (including gain/loss)	512	-
Interest, Dividends received	1,66,847	1,30,814
Net Cash Flow from Investing Activities	(1,15,949)	2,67,383
Cash flows from financing activities		
Capital infusion	-	-
Share Application Money received	-	-
Net Cash Flow from Financing Activities	-	-
Net Increase / Decrease in Cash & Cash equivalents	(1,40,583)	1,49,296
Cash and cash equivalents at the beginning of year	1,55,979	6,683
Cash and cash equivalents at the end of year	15,396	1,55,979

As per our Report of even date attached.


For Uttam Abuwala & Co.
Chartered Accountants
Firm Registration No. 111184W


C.A. Urmish Mehta
Partner
Membership No. 137150


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



C.A. Vipul Chokshi
Partner
Membership No. 37606

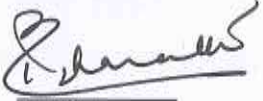
For and on behalf of the Board of Directors


Akshay Raheja
Director


Anesta Kulkarni
Director


Praveen Gupta
Managing Director &
Chief Executive Officer


Rakesh Sharma
Chief Financial Officer


Bharathi Iyer
Company Secretary

Mumbai,
Date : 18th May 2016





RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

Schedule 16:

Significant Accounting policies and Notes forming part of financial statements for the year ended 31st March, 2016:

1. Background:

Raheja QBE General Insurance Company Limited ('the Company') was incorporated on 14th August, 2007, as a Company registered under the Companies Act, 2013. The Company is 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 11th December, 2008 which is renewed by payment of fees as required by the Section 3A of the Insurance Laws (Amendment) Act, 2015.

2. Significant Accounting Policies:

2.1 Basis of preparation of Financial Statements:

The financial statements are prepared and presented in accordance with generally accepted accounting principles followed in India under the historical cost convention, on the accrual basis of accounting and in accordance with statutory requirements of the Insurance Act, 1938 as amended by The Insurance Laws (Amendment) Act, 2015, Insurance Regulatory and Development Authority (IRDA) Act, 1999, Insurance Regulatory and Development Authority (Preparation of financial statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('The Regulations') and order/directions prescribed by IRDA in this behalf, the Accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, 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 based on 1/365 Method of contract period or risk period 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 ceded, is accrued at policy inception. Non proportional reinsurance cost is recognized when incurred and due. Any subsequent revisions to refunds or cancellations of premiums are recognized in the year in which they occur.

2.5 Reinsurance Accepted

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

2.6 Premium Deficiency

Premium deficiency is recognized if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the sum of related premium carried forward to the subsequent accounting period as the reserve for unexpired risk. Premium deficiency is calculated by line of business in accordance with the IRDA Guidelines.

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

2.7 Acquisition Costs

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

2.8 Premium Received In Advance

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



2.9 Reserve for Unexpired Risk

Reserve for unexpired risk represents that part of net premium (net of proportional reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate, 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 as amended by The Insurance Laws (Amendment) Act, 2015.

2.10 Claims Incurred

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

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

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

2.12 Contribution to The Indian Motor Third Party Declined Risk Insurance Pool (IMTPDRIP)

In accordance with the directions of IRDA, the company together with the other general insurance companies participates in the Indian Motor Third Party Declined Risk Insurance Pool (IMTPDRIP). The IMTPDRIP is administered by the General Insurance Corporation of India (GIC). IRDA vide its order IRDA/NL/ORD/MPL/277/2011 dated 23rd December, 2011 created IMTPDRIP for Stand-alone Third Party Liability Insurance for commercial vehicles. Each member is required to have its own underwriting manual for accepting or ceding the risk to the IMTPDRIP and file the same with IRDA. Accordingly, the company has filed its underwriting manual for FY 2015-16 with Authority.

The Authority has mandated obligation on each insurance company to underwrite a minimum percentage of such business which shall be in proportion to the sum of fifty percent of the member's percentage share in total gross premium and fifty percent of the member's percentage share in total motor premium of the industry in the current year.

The IMTPDRIP shall be extinguished at the end of every underwriting year on a clean cut basis, by transferring the risks at par to the members who have not fulfilled their mandatory obligations. Such transfer shall be in proportion to the shortfall of each member.

The company's share of premium, claims 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 31st December, 2015 based on the return received from IMTPDRIP. The company has recognized related income and expense for the quarter January 2016 to March 2016 on an estimated basis, in the absence of availability of data from IMTPDRIP.

IRDAI vide its circular Ref No IRDA/NL/CIR/MISC/051/03/2016 dated March 15, 2016, has decided to dismantle the Indian Motor Third Party Declined Risk Insurance Pool (IMTPDRIP) for Commercial Vehicle (Act only Insurance) with effect from April 1, 2016.



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 upto the last statement received from GIC.

2.14 Management Expenses

Operating expenses related to the Insurance Business are allocated to specific business segment on the basis of Net Premium as per the Master Circular on Preparation of Financial Statements General Insurance Business [October, 2012] issued by IRDA.

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 software's are stated at cost less amortization.

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

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

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

Software (Intangible Assets) are amortized over 3 Years.

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



Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognized in profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

2.17 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 as amended by The Insurance Laws (Amendment) Act, 2015, The IRDA (Investment) Regulation, 2000, as amended from time to time and various circulars/ notifications issued by IRDA in this context from time to time.

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

Classification:

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

Investments pertaining to Shareholders and Policyholders are not maintained separately. In view of relatively small policyholder's fund it is practically not feasible for company to maintain separately.

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

2.19.2.2 Defined Benefit Plans:

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

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

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

2.20 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 Earnings 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:

Current Tax

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

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternate Tax ('MAT') credit is recognised as an asset to the extent there is convincing evidence that the company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

Deferred Tax

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

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

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

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

2.24 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:

Particulars	(Rs. '000)	
	As at March 31, 2016	As at March 31, 2015
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		
• Income tax –		
✓ Demand raised for AY 2012-13	16,307	16,307
✓ Demand raised for AY 2013-14	12	
✓ Demand raised for AY 2014-15	95	
• Service Tax–		
✓ Demand raised by Service Tax Department for previous five years starting from FY 2009-10 to 2013-14 towards disallowance of Cenvat credit on brokerage payment against Coinsurance Business.	546	
✓ Demand raised by Service Tax Department for FY 2014-15 towards disallowance of Cenvat credit on brokerage payment against Coinsurance Business.	168	
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 Rs. NIL).



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

3.1.4 Premium Deficiency

In accordance with IRDA Circular IRDA/ F&A/CIR/FA/126/07/2013 dated 3rd July 2013, Insurers are not required to recognize premium deficiency arising out of Motor Third Party portfolio including erstwhile Motor Pool, Declined Risks Pool and other Pools. Accordingly, during the year the company has not recognized premium deficiency on Motor Third Party portfolio which was accounted hitherto. Due to this, profit of the company is higher by Rs. 3.52 Crores.

3.1.5 Claims

Claims, less reinsurance paid to claimant –

(Rs.'000)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
In India	19,947	52,641
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, 2016	For the year ended March 31, 2015
More than six months	16,341	19,054
Others	8,082	6,819

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

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

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

3.1.8 Value of contracts in relation to investment, for:

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 as amended by The Insurance Laws (Amendment) Act, 2015 and Insurance Regulatory and Development Authority (Investment) (Amendment) Regulations, 2000, as amended from time to time and various circulars/ notifications issued by IRDA in this context from time to time.

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. 1,21,340 thousands (Previous year Rs 78,111 thousands).



Investments under Section 7 of the Insurance Act, 1938 as amended by The Insurance Laws (Amendment) Act, 2015 are as follows:-

Name of Security	As at March 31, 2016	As at March 31, 2015
7.17% Government stock 2015	NIL*	99,855

*The Insurance Laws (Amendment) Act, 2015 has dispensed with the requirement of maintaining the Deposit under Section 7 of Insurance Act, 1938. The said investments are matured on 14th June 2015.

The Company does not have any investment in property as at 31st March, 2016. (Previous year Rs. NIL)

3.1.9 Managerial Remuneration:

Managing Director & Chief Executive Officer

(Rs. '000)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries and Allowances	15,148	14,949
Perquisites	847	836
Bonus	7,325	7,325
Contribution to Provident Fund	780	753
Contribution to Superannuation Fund	650	628
Total	24,749	24,492

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 as amended by The Insurance Laws (Amendment) Act, 2015.

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

Particulars	Year	Risk Retained % of business written	Risk Reinsured % of business written
Fire	2015-16	27.25%	72.75%
	2014-15	52.94%	47.06%
Marine	2015-16	95.00%	5.00%
	2014-15	95.00%	5.00%
Miscellaneous	2015-16	90.05%	9.95%
	2014-15	85.34%	14.66%
Total	2015-16	88.12%	11.88%
	2014-15	84.32%	15.68%



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

Business Sector	For the year ended March 31, 2016			For the year ended March 31, 2015		
	GDP (Rs.'000)	No. of Lives	% of GDP	GDP (Rs.'000)	No. of Lives	% of GDP
Rural	27,133	-	9.43%	12,351	-	5.71%
Social	580	35,497	0.20%	801	37,716	0.37%
Urban	2,59,879	-	90.36%	203,114	-	93.92%
Total	2,87,592	35,497	100.00%	216,266	37,716	100.00%

3.1.12 Reinsurance Regulations

As per Insurance Regulatory and Development Authority (General Insurance – reinsurance) Regulations, 2013, surplus over and above domestic reinsurance arrangements class-wise can be placed by the (re)insurer independently with any of the reinsurers complying with the sub regulation (7) subject to the following limits of the total reinsurance premium ceded outside India being placed with any one reinsurer:

Rating of Reinsurers (as per Standard & Poor and applicable to other equivalent international rating agencies)	Limits of Cession allowed under Regulation 3(11)
BBB of Standard & Poor	10%
Greater than BBB and upto & including AAA of Standard & Poor	15%
Greater than AA upto & including AAA of Standard & Poor	20%

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

In term of IRDA Reinsurance Regulations, the Company has submitted details in respect of its reinsurance program for the year 2015-16 to the Authority and also communicated all the facultative placements on direct proposals placed during the financial year.

3.1.13 Employee benefits:

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

a) Defined Benefit plan:-

	(Rs. '000)	
	Gratuity (Funded)	
	2015-16	2014-15
Changes in Present Value of Obligations		
Present Value of Obligation as at the beginning of the year	5017	4185
Acquisition adjustment	-	-
Interest Cost	396	369
Past Service Cost	-	-
Current Service Cost	858	759
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-



Benefits paid	(720)	(548)
Actuarial (gain)/ loss on obligations	609	253
Present Value of Obligation as at the end of the year	6159	5017
Changes in the Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	4722	3891
Acquisition Adjustments	-	-
Expected Return on Plan Assets	391	331
Contributions	1350	1064
Benefits Paid	(720)	(548)
Actuarial Gain / (loss) on Plan Assets	(13)	(15)
Fair Value of Plan Assets at the end of the year	5731	4722

ACTUARIAL GAIN/LOSS RECOGNIZED		
Actuarial (gain)/loss for the year - Obligation	609	253
Actuarial gain/(loss) for the year - Plan Assets	-	(15)
Total (gain)/loss for the year	609	268
Actuarial (gain)/loss recognized in the year	609	268
Unrecognized actuarial (gains)/losses at the end of year	-	-
AMOUNTS TO BE RECOGNIZED IN BALANCE SHEET AND STATEMENTS OF PROFIT AND LOSS		
Present Value of Obligation as at the end of the year	6159	5017
Value of Fund as at the end of the year	5731	4722
Funded Status	(429)	(295)
Unrecognized Actuarial (gains) / losses	-	-
Net Asset/ (Liability) Recognized in Balance Sheet	(429)	(295)
EXPENSE RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS		
Current Service Cost	858	759
Past Service Cost	-	-
Interest Cost	396	369
Expected Return on Plan Assets	(391)	(331)
Curtailment Cost /(Credit)	-	-
Settlement Cost /(Credit)	-	-
Net actuarial (gain)/loss recognized in the year	622	268
Expenses Recognized in the statement of Profit & Loss	1485	1065

Major category of plan asset as a percentage of plan asset

Discount Rate	7.90(p.a.)	7.90(p.a.)
Rate of increase in Compensation levels	7.00(p.a.)	7.00(p.a.)
Rate of Return on Plan Assets	8.75%	8.75%
Expected Average remaining working lives of employees (years)	22 yrs	22 yrs



Other Disclosures:

(Rs. '000)

Particulars	Gratuity (Funded)				
	2015-16	2014-15	2013-14	2012-13	2011-12
Present value of the defined benefit obligation	6,157	5,017	4,185	3,140	2,456
Fair value of the plan assets	5,731	4,722	3,891	3,016	2,086
Surplus or deficit in the plan	(427)	(295)	(293)	(124)	(370)
Experience adjustments - Total actuarial Gain/(Loss) to be recognized	609	268	103	(452)	140

b) Defined Contribution Plan:-

(Rs. '000)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Contribution to Provident Fund	3,934	3,634
Contribution to Superannuation Fund	2,357	2,331
Contribution to National Pension Scheme	1,964	Nil

a) Other long term liability:-

Amount recognised as an expense in respect of compensated absences is Rs. 487 in thousands (Previous Year Rs. 360 in thousands)

3.1.14 Summary of Financial Statements :

(Rs. '000)

	Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
A	OPERATING RESULTS					
	Gross written premium	3,68,289	2,90,305	3,16,261	2,83,660	2,28,310
	Net Earned Premium (Net of reinsurance)	2,14,906	1,95,202	1,84,687	1,44,389	79,354
	Income from investment (Net)	30,860	25,320	23,674	18,235	11,651
	Miscellaneous Income	1,863	1,681	744	1,168	2,474
	Total Income	2,47,630	2,22,201	2,09,105	1,63,792	93,479
	Commission (Net) including Brokerage	44,696	36,208	37,830	27,781	13,849
	Operating Expense	1,74,076	1,37,447	1,34,544	1,27,830	1,24,339
	Net Claims Incurred and Change in Unexpired Risk Reserve	94,224	62,977	1,48,697	1,26,367	1,12,797
	Operating Profit/Loss	(65,366)	(14,430)	(1,11,966)	(1,18,186)	(1,57,506)
B	NON OPERATING RESULT					
	Total Income Under Share holder's account	1,81,232	1,84,101	1,75,092	1,68,292	1,49,551
	Profit/(Loss) before tax	1,45,204	1,67,991	82,975	81,281	57,654
	Provision for tax	41,300	61,298	18,802	(10,232)	(339)



	Profit/(Loss) after tax	1,03,904	1,06,693	64,173	91,513	57,994
C	MISCELLANEOUS					
	Policy Holder's Account					
	Total Funds	Not applicable being General Insurance Company				
	Total Investments					
	Yield on investments					
	Shareholder's account					
	Total Funds	Not applicable being General Insurance Company				
	Total Investments					
	Yield on investments					
	Paid up Equity Capital	20,70,000	20,70,000	20,70,000	20,70,000	20,70,000
	Net Worth	22,73,896	21,70,075	20,62,870	19,97,661	19,06,084
	Total Assets	27,46,403	26,90,362	24,60,717	22,87,672	20,92,869
	Yield on Total Investments	8.52%	8.83%	8.78%	8.89%	8.49%
	Earnings per Share (Rs.)	0.50	0.52	0.31	0.44	0.28
	Book value per Share (Rs.)	10.99	10.48	9.97	9.65	9.21
	Total Dividend	-	-	-	-	-
	Dividend per share (Rs.)	-	-	-	-	-

3.1.15 Analytical Ratios as on 31st March :

For ratios as at March 31, 2016 refer Annexure 1a and for March 31, 2015 refer Annexure 1b.

3.1.16 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 *	NA	NA	NA	NA
9	Competition Commission of India	NIL	NIL	NIL	NIL
10	Any other Central/State/Local Government / Statutory Authority	NIL	NIL	NIL	NIL

*Post listing

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

Particulars	Total Amount (INR'000)	AGE-WISE ANALYSIS					
		4-12 Months	13-18 months	19- 24 months	25 - 30 months	31 - 36 months	Beyond 36 Months
claims settled but not paid to the policyholders / Insured due to any reasons except under litigation from the insured / policyholders	NIL	NIL	NIL	NIL	NIL	NIL	NIL
sum due to the insured / policyholders on maturity or otherwise	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	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Cheques issued but not encashed by the policyholder/ insured	0.11	NIL	0.11	NIL	NIL	NIL	NIL

3.2 Other Disclosures

3.2.1 Contribution to the Environment Relief fund

During the Year, an amount of Rs.296 thousands (previous year – Rs.348 thousands) was collected towards Environment Relief Fund from Public Liability policies and an amount of Rs. 282 thousands has been transferred to “United India Insurance Company Limited, Environment Fund Account” as per the Notification of Environment Relief Fund (ERF) scheme under the Public Liability Insurance Act, 1938 as amended with closing balance as on 31st March 2016 is Rs. 14 thousands.

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 is no Micro, Small & Medium enterprise to which the company owes dues, which are outstanding at the balance sheet date. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

3.2.4 Segmental Reporting :

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

(Rs.'000)

Segment	Year	Claims Outstanding	Advance Premium	Reserve for unexpired risk	Premium Deficiency Reverse
Fire	2015-16	4,649	-	1,413	-
	2014-15	2,467	-	2,134	25
Marine Cargo	2015-16	106	-	140	-
	2014-15	131	-	11	-
Marine Hull	2015-16	-	-	-	-
	2014-15	-	-	-	-
Motor OD	2015-16	22	-	58	-
	2014-15	93	-	-	-
Motor TP	2015-16	23,969	1,381	33,557	-
	2014-15	14,021	572	1,889	2,771
Employer's Liability	2015-16	1,709	-	1,079	-
	2014-15	1,290	-	646	-
Engineering	2015-16	1,131	-	1,034	-
	2014-15	1,900	-	875	-
Public Liability	2015-16	21,502	21	17,783	-
	2014-15	12,307	-	15,132	-
Other Liability	2015-16	97,562	1,272	1,53,667	-
	2014-15	85,639	1,112	1,46,381	-
Personal Accident	2015-16	3,138	7	526	27
	2014-15	2,551	-	1,246	173
Health	2015-16	386	-	106	-
	2014-15	305	-	78	-
Other Misc.	2015-16	458	-	466	-
	2014-15	373	-	712	-
Total	2015-16	1,54,632	2,681	2,09,827	27
	2014-15	1,21,077	1,684	1,69,105	2,969



Related Party disclosures:

- a. Following is the list of related parties

Nature of Relationship	Name of the Related Party
Holding Company	Prism Cement 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 Insurance (Europe) Limited
	QBE Insurance (Australia) Limited
	QBE Re Services Pty Limited
	QBE Hongkong & Shanghai Insurance Limited
	QBE Insurance (Fiji) Limited
	QBE Insurance (Malaysia) Berhad
	QBE Insurance (PNG) Limited
Key Management personnel and relative of such personnel	QBE Insurance (Singapore) Pte
	Mr. Praveen Gupta – Chief Executive Officer & Managing Director Ms. Medha Gupta - Relative of Key Personnel
Enterprise where Director is having significant influence	Windsor Realty Private Ltd.
Enterprise where Director is having significant influence	Globus Stores Pvt. Ltd.
Enterprise where Director is having significant influence	Hathway Cable & Datacom Limited

- b. Details of transactions with related parties:

(Rs. '000)

Particulars	Nature of Transactions	2015-16		2014-15	
		Rupees (Paid / Received)	Receivable /(Payable)	Rupees (Paid / Received)	Receivable /(Payable)
Prism Cement Limited	Premium received**	1,867	-	3,529	-
	Premium deposit**	-	-	132	-
	Contribution towards Environmental Relief Fund	-	-	216	-
	Claims paid	392	-4,063	383	-1,582
	Rent paid	360	-	375	-
	Director's Fees Deposit refunded	200	-	500	-
	Premium Amount Refunded	119	-	211	-
	Security Deposit	-	300	-	300
QBE Insurance (International) Limited	Reinsurance premium paid	2,602	-2,682	896	-80
	Reinsurance commission received	254	-268	154	14
	Training expenses- Reimbursement	1,599	-	2,033	-
	IT Expenses- Reimbursement	181	-	-	-
QBE Insurance (Europe) Limited	Reinsurance premium paid	11,272	-14,784	15,649	-6,653
	Reinsurance commission received	2,050	-3,153	2,796	1,373
QBE Insurance (Australia)	Reinsurance premium paid	2,917	-9,367	5,281	-6,450



Limited	Reinsurance commission received	583	-1,873	1,056	1,290
QBE Re Services Pty Ltd.	Donation paid	138	-	36	-
QBE Insurance (Singapore) PTE	Reinsurance premium paid	74	-74	-	-
	Reinsurance commission received	13	-13	-	-
QBE Insurance (Fiji) Limited	Re-imbursement of expenses	-	-	35	-
QBE Insurance (Malaysia) Berhad	Premium Refunded	-	-	193	-
QBE Insurance (PNG) Limited	Manpower Recruitment Expense	-	51	-	-
Praveen Gupta	Remuneration*	24,749	-7,325	24,492	-7,325
	Premium deposit**		7	-	-
	Premium received**	6	-	-	-
Medha Gupta	Premium received**	1	-	-	-
Windsor Realty Private Ltd.	Rent paid (Leave & License)	17,944		21,064	-
	Security Deposit		18,126	-	18,126
Globus Stores Pvt. Ltd.	Premium received**	262	-	248	-
	Premium deposit**	-	9	16	-
Hathway Cable & Datacom Ltd	Installation & Subscription Charges	120	-	151	-

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

** The premium amounts are excluding service tax and other levies

3.2.5 Lease:

The Company has taken office premises on lease.

a. Lease rent debited to Profit and Loss Account:

(Rs. '000)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Leave and License Expenses	18,958	19,694

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

(Rs. '000)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Not later than one year	14,285	15,508
Later than one year and not later than five years	57,943	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.



3.2.6 Earnings per Share:

Particulars	As at March 31, 2016	As at March 31, 2015
Net profit / (Loss) for the Year (in thousands)	1,03,904	1,06,693
Total no of share outstanding at end of year	20,70,00,000	20,70,00,000
Weighted average no of equity share	20,70,00,000	20,70,00,000
Nominal value per share (Rs.)	10.00	10.00
Basic Earnings per share (Rs.)	0.50	0.52
Diluted Earnings per share (Rs.)	0.50	0.52

3.2.7 Taxes:

1) Current Tax:

(Rs. '000)

Particulars	As at March 31, 2016	As at March 31, 2015
Current Tax/MAT payable	49,174	56,572
Tax adjustments for earlier years	-	1,001
MAT Credit Entitlement	-	-
MAT Credit taken for earlier years, now reversed	-	2,177
TOTAL	49,174	59,750

2) Deferred Tax:

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

(Rs. '000)

Particulars	As at March 31, 2016	As at March 31, 2015
Deferred Tax Assets:		
Expenses allowable on payment basis (Leave Encashment, Bonus & Gratuity)	6807	(1009)
Depreciation	5839	5,783
Deferred Tax Assets	12,646	4,774

3.2.8 In accordance with the provision of the Section 135 of the Companies Act, 2013 the company was required to spend, Rs. 2,217 thousands (Previous Year Rs. 1,480 thousands) on account of Corporate Social Responsibility (CSR) activities. The Company, during the year, has spent Rs.2,250 thousands (Previous Year Rs. 1,500 thousands) on CSR activities as approved by the CSR Committee of the Board.



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

As per our Report of even date attached.

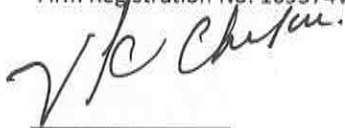
For Uttam Abuwala & Co.
Chartered Accountants
Firm Registration No. 111184W



CA Urmish Mehta
Partner
Membership No. 137150



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

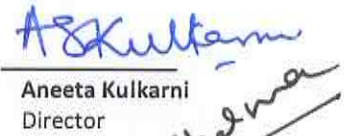


CA. Vipul K Choksi
Partner
Membership No. 37606

For and on behalf of the Board of Directors



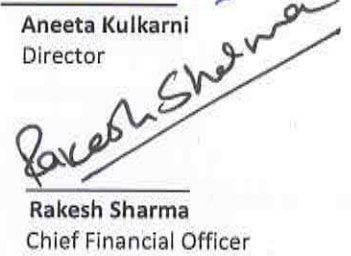
Akshay Raheja
Director



Aneeta Kulkarni
Director



Praveen Gupta
Managing Director &
Chief Executive Officer



Rakesh Sharma
Chief Financial Officer



Bharathi Iyer
Company Secretary



Annexure-1a Analytical Ratios as at March 31, 2016

Sr No	Ratio	31st March 2016			
		Fire	Marine	Misc	Total
1	Gross Direct Premium Growth rate	23.25%	1096.97%	33.13%	32.98%
2	Gross Direct premium to Net worth ratio	NA	NA	NA	12.65%
3	Growth rate to Net worth	NA	NA	NA	4.78%
4	Net Retention Ratio	24.95%	86.92%	70.81%	69.41%
5	Net commission Ratio	9.28%	(0.73%)	17.60%	17.48%
6	Expense of Management to Gross Direct Premium Ratio	39.05%	59.08%	74.36%	73.39%
7	Expense of Management to Net written Premium Ratio	106.34%	67.97%	82.45%	82.70%
8	Net Incurred Claims to Net Earned Premium	61.89%	(17.00%)	24.30%	24.90%
9	Combined Ratio	155.07%	58.06%	106.02%	106.50%
10	Technical Reserve to Net Premium ratio	214.48%	87.61%	141.84%	142.58%
11	Underwriting Balance ratio	(30.50%)	(7.50%)	(26.64%)	(26.69%)
12	Operating Profit Ratio	(3.74%)	(10.35%)	(12.50%)	(12.33%)
13	Liquid Asset to liabilities ratio	NA	NA	NA	359.63%
14	Net Earnings Ratio	NA	NA	NA	40.65%
15	Return on net worth	NA	NA	NA	4.55%
16	Reinsurance Ratio	75.05%	13.08%	29.19%	30.59%

Annexure-1b Analytical Ratios as at March 31, 2015

Sr No	Ratio	Fire	Marine	Misc	Total
1	Gross Direct Premium Growth rate	36.78%	(60.66%)	(7.79%)	(6.93%)
2	Gross Direct premium to Net worth ratio	NA	NA	NA	9.97%
3	Growth rate to Net worth	NA	NA	NA	5.20%
4	Net Retention Ratio	46.60%	85.19%	71.05%	70.28%
5	Net commission Ratio	6.12%	21.74%	18.00%	17.75%
6	Expense of Management to Gross Direct Premium Ratio	55.82%	74.10%	78.78%	78.11%
7	Expense of Management to Net written Premium Ratio	81.56%	86.99%	82.83%	82.80%
8	Net Incurred Claims to Net Earned Premium	155.98%	(103.80%)	24.66%	27.75%
9	Combined Ratio	243.35%	(283.06%)	108.14%	110.93%
10	Technical Reserve to Net Premium ratio	108.39%	617.39%	144.39%	143.69%
11	Underwriting Balance ratio	(122.50%)	179.40%	(13.41%)	(15.94%)
12	Operating Profit Ratio	(105.39%)	182.31%	(0.54%)	(2.97%)
13	Liquid Asset to liabilities ratio	NA	NA	NA	424.80%
14	Net Earnings Ratio	NA	NA	NA	52.30%
15	Return on net worth	NA	NA	NA	4.92%
16	Reinsurance Ratio	53.40%	18.52%	28.95%	29.72%

