

**Raheja QBE General Insurance  
Company Limited  
2021-22**

## DIRECTORS' REPORT

The Directors' of your Company have pleasure in presenting the Fifteenth Annual Report on the business and operations of your Company and the Revenue Account, the Profit and Loss Account (Shareholders' Account), the Statements of Receipts and Payments Account (Cash Flow Statement) for the Financial Year ended 31<sup>st</sup> March, 2022, the Balance Sheet as at 31<sup>st</sup> March, 2022 along with the Report of the Auditors thereon and the Management Report for the Financial Year 2021-22 to the Members of Raheja QBE General Insurance Company Limited ("the Company").

### BRIEF OVERVIEW

Your Company, Raheja QBE General Insurance Company Limited, was incorporated on 14<sup>th</sup> August, 2007. Your Company has obtained the Certificate of Registration bearing No. 141 from the Insurance Regulatory and Development Authority of India (IRDAI), Hyderabad on 11<sup>th</sup> December, 2008 to carry on business of General Insurance in India. Your Company has total Ten (10) branches/units as on 31<sup>st</sup> March, 2022.

### KEY FINANCIAL RESULTS

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

Particulars	(Rs. in Crores)	
	2021-22	2020-21
Gross Written Premium (GWP)	392.66	296.16
Net Written Premium	325.66	241.44
Net Earned Premium	297.04	182.90
Net Incurred Claims	241.22	159.09
Net Commission	44.70	33.46
Operating Expenses related to Insurance Business	151.35	111.75
Contribution from Shareholder fund toward excess EOM	59.53	42.36
Other Income/ (Expenses)	(0.01)	0.00
Investment Income on Policy Holders Fund	36.02	27.67
Premium Deficiency Reserve	0.00	0.00
Insurance Profit/(Loss)	(44.68)	(51.36)
Investment Income on Shareholders Fund	11.83	12.95
Contribution to Policyholder fund toward excess EOM	(59.53)	(42.36)
Income / (Expenses) other than Insurance Business	(4.10)	(3.55)
Profit/(Loss) before Tax	(96.49)	(84.33)
Provision for Taxation	0.00	(0.39)
Provision for Deferred Tax	(0.10)	(0.13)
Profit/(Loss) after Tax	(96.39)	(83.81)

### OPERATIONS

#### Gross Written Premium:

The Gross Written Premium of your Company grew by 33% to Rs. 392.7 Crores in the Financial Year 2021-22 from Rs. 296.2 Crores in the Financial Year 2020-21. The growth is driven by Motor, Liability and Property lines of business contributing 71%, 7% and 21% respectively to the total topline.

**Net Earned Premium:**

The Net Earned Premium stood at Rs. 297.0 Crores as against Rs. 182.9 Crores in the previous year. Higher Gross Written Premium in Motor contributed to the growth of 62% in Net Earned Premium for the year under review.

**Claims:**

The net incurred claims stood at Rs. 241.2 Crores in the Financial Year 2021-22 as against Rs. 159.1 Crores in the Financial Year 2020-21.

**Commission:**

Net commission increased by 34% to Rs. 44.7 Crores in the Financial Year 2021-22 from Rs. 33.5 Crores in the Financial Year 2020-21 owing to the increased topline.

**Expenses:**

Expenses of the Company stood at Rs.155.5 Crores in the Financial Year 2021-22, an increase of 35% over the previous year resulting from the increased Gross Written Premium.

**Investment Income:**

The total income from investment for the year under review is Rs. 47.8 Crores as against Rs. 40.6 Crores in the previous year.

**Financial Result:**

Your Company incurred net loss of Rs. 96.4 Crores in the Financial Year 2021-22 as compared to net loss of Rs. 83.8 Crores in the Financial Year 2020-21.

**DIVIDEND**

The Directors' have not recommended any dividend for the Financial Year ended 31<sup>st</sup> March 2022.

**RESOURCES AND LIQUIDITY**

The Authorised Share Capital of the Company is Rs. 2,98,00,00,000 (Rupees Two Hundred and Ninety-Eight Crores) and the Paid-up share capital of the Company is Rs. 296,04,13,160 (Rupees Two Hundred Ninety-Six Crores Four Lakhs Thirteen Thousand One Hundred and Sixty).

During the Financial Year ended on 31<sup>st</sup> March 2022, the Company had allotted 1,92,39,014 (One Crore Ninety-Two Lakhs Thirty-Nine Thousand and Fourteen) equity shares of Rs.10/- (Rupees Ten) each at a premium of Rs. 16 by way of right issue on 16<sup>th</sup> September 2021. Additionally, the Company had allotted 1,20,73,462 (One Crore Twenty Lakhs Seventy-Three Thousand Four Hundred and Sixty-Two) equity shares of Rs. 10/- (Rupees Ten) each at a premium of Rs. 19 by way of rights issue on 23<sup>rd</sup> March 2022.

During the period under review, the Company has not:

- bought back any of its securities
- issued any sweat equity Shares
- issued any bonus shares
- provided any Stock Option Scheme to the employees
- not issued equity shares with differential voting rights
- made any provision of money for purchase of its own shares by employees or by trustees for the benefit of the employees.
- issued debentures

#### PROPOSED ACQUISITION

The shareholders of the Company i.e. Prism Johnson Limited, QBE Holdings (AAP) Pty. Limited and QBE Asia Pacific Holdings Limited (collectively, the Sellers), have signed a Share Sale and Purchase Agreement (SPA) with Paytm Insuretech Private Limited (previously known as QORQL Private Limited) (PIPL) and the Company on July 6, 2020 (as amended from time to time), pursuant to which PIPL has proposed acquisition of 100% of the paid-up equity shareholding of the Company, subject to receipt of regulatory approvals. The proposed acquisition is still under process and the requisite regulatory approval are being sought by PIPL.

#### PUBLIC DEPOSIT

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

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to section 186 of the Companies Act, 2013, the Company has not given any loans or guarantees, to any person or body corporate.

The investments of the Company are in compliance with the norms prescribed by IRDAI, the guidelines and circulars issued by IRDAI from time to time and the Investment Policy of the Company.

The particulars of investments are provided in the schedules of the financial statements.

#### COST AUDIT

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

#### ECONOMIC SCENARIO OF GENERAL INSURANCE INDUSTRY

The Indian General Insurance Industry GDPI has grown from ₹1,98,715 crores in FY 2020-21 to ₹2,20,772 Crores in FY 2021-22, exhibiting a growth rate of 11.1%. The major segments which grew in FY 2021-22 are Liability (33%), Health (26%), and Marine (20%). Crop segments de-grew by 5%. Motor, Health and Crop segments together hold more than 90% of market share of overall GDPI. Private players market share increased from 57% in FY 2020-21 to 59% in FY 2021-22.

#### DISCLOSURES UNDER THE COMPANIES ACT, 2013

##### ANNUAL RETURN

As per the requirement of Section 92 of the Companies Act, 2013, the Annual Return of the Company is available on the website of the Company (<https://www.rahejaqbe.com/about-us/financial-reports>).

##### NUMBER OF BOARD MEETINGS

The Board of Directors' met 5 times in the Financial Year 2021-22 on:

i) 4<sup>th</sup> May 2021 ii) 27<sup>th</sup> July 2021 iii) 25<sup>th</sup> October 2021 iv) 25<sup>th</sup> January 2022 and v) 11<sup>th</sup> March 2022

##### BOARD OF DIRECTORS

- i. The Board of Directors had on the recommendation of the Nomination & Remuneration Committee appointed Mr. Declan Moore as an Additional Director of your Company in the category of a Non-Executive Director with effect from 25<sup>th</sup> January 2021. Thereafter, at the Annual General Meeting held on 27<sup>th</sup> July 2021, the Members appointed Mr. Declan Moore as a Non-Executive Director of the Company, liable to retire by rotation.

- ii. Total strength of the Board was 10 Directors as at 31<sup>st</sup> March 2022, comprising 1 Executive Director, who is Managing Director & CEO, 5 Non-Executive Directors, 4 Independent Directors'.
- iii. In accordance with the provisions of the Companies Act, 2013, Mr. Vijay Aggarwal and Ms. Aneeta Kulkarni, Non-Executive Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors' recommends their re-appointment.
- iv. The Independent Directors' have submitted the Declaration of Independence, pursuant to Section 149(6) of the Companies Act, 2013.
- v. The following table gives details of the composition of the Board of Directors', qualification, field of specialization and status of Directorship held and attendance at Board Meeting:

Sl. No	Name	Qualification	Field of specialization	Status of Directorship
1	Mr. Akshay Raheja	B.com, MBA	Industrialist	Chairman, Non-Executive Director
2	Ms. Ameeta Parpia	B.A, LLB	Advocate & Solicitor	Non-Executive & Independent Director
3	Ms. Aneeta Kulkarni	B.A, LLB, PGDAM, ACS, F.I.I.I.	Legal, Compliance, Secretarial & General Insurance	Non-Executive Director
4	Mr. Shobhan Thakore	B.A, LLB	Solicitor	Non-Executive & Independent Director
5	Mr. Vikas Newatia	PG Actuarial Science, B.SC. (Hons) Mathematics	Actuarial Science	Non-Executive & Independent Director
6	Mr. Swaraj Krishnan	B.A.(Hons) Economics, M.A (Business Economics)	General Insurance	Non-Executive & Independent Director
7	Mr. Vijay Aggarwal	B. Tech (Electrical) IIT Delhi, PGDBM, IIM Ahmedabad	Professional	Non-Executive Director
8	Mr. Christopher Killourhy	Fellow of the Faculty Institute of Actuaries, United Kingdom	General Insurance	Non-Executive Director
9	Mr. Declan Moore	Fellow of the Institute of Actuaries of Australia, Advanced diploma of Financial Services, National Insurance Brokers Association	General Insurance	Non-Executive Director
10	Mr. Pankaj Arora	B. Com, MBA (Marketing), IILM, Delhi	Management, Distribution, Digital Marketing, Communication, General Insurance	Managing Director & CEO

vi. The details of attendance of Directors at the Board Meetings held during the year under review are as follows:

Name of the Director	Nature of Directorship	Designation in the Board	Meeting dated May 4, 2021	Meeting dated July 27, 2021	Meeting dated October 25, 2021	Meetings dated January 25, 2022	Meeting dated March 11, 2022
Mr. Akshay Raheja	Non-Executive Director	Chairman	Present	Present	Present	Absent	Absent
Ms. Ameeta Parpia	Independent Director	Member	Present	Present	Present	Present	Present
Ms. Aneeta Kulkarni	Non-Executive Director	Member	Present	Present	Present	Present	Present
Mr. Shobhan Thakore	Independent Director	Member	Present	Present	Present	Present	Present
Mr. Vikas Newatia	Independent Director	Member	Present	Present	Present	Present	Present
Mr. Swaraj Krishnan	Independent Director	Member	Present	Present	Present	Present	Present
Mr. Vijay Aggarwal	Non-Executive Director	Member	Present	Present	Present	Present	Present
Mr. Christopher Killourhy	Non-Executive Director	Member	Present	Absent	Present	Present	Present
Mr. Declan Moore	Non-Executive Director	Member	Present	Present	Present	Present	Present
Mr. Pankaj Arora	Managing Director & CEO	Member	Present	Present	Present	Present	Present

#### DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period.
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- the Directors had prepared the annual accounts on a going concern basis; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **FRAUDS**

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

## **EVALUATION OF PERFORMANCE**

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

The performance evaluation of each director including independent directors was carried out by all the directors except the director being evaluated. Also, the performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors was carried out by the Independent Directors.

The performances evaluated as above were found satisfactory.

## **KEY MANAGERIAL PERSONNEL**

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

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

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

- Mr. Pankaj Arora, Managing Director & CEO
- Mr. Chandraprakash Jain, Chief Financial Officer
- Mr. Jigar Shah, Company Secretary and Chief Compliance Officer
- Mr. Rajeev Dogra, Chief Distribution Officer
- Mr. Shantanu Pathak, Chief Investment Officer
- Mr. Rohit Ajgaonkar, Appointed Actuary (Appointed Actuary & Chief Risk Officer till August 27, 2021) (Re-appointed as Appointed Actuary effective August 28, 2021)
- Mr. Puneet Sahni, Chief Underwriting Officer – Retail Lines
- Mr. Farzan Khansaheb, Chief Underwriting Officer – Commercial Lines
- Mr. Rahul Sharma, Chief Claims Officer (till September 14, 2021)
- Mr. Suman Pal, Chief Claims Officer (effective October 25, 2021)
- Mr. Abhijit Kedia, Chief Technology Officer
- Ms. Saba Adil, Chief People Officer & Chief Risk Officer (Chief Risk Officer effective January 25, 2022)
- Ms. Ritu Nazir, Chief Marketing Officer

## **REGISTRATION**

The Certificate of registration of your Company renewed by the Insurance Regulatory and Development Authority of India (IRDAI) for 2014-15, shall continue to be in force, pursuant to the provisions of section 3A read with Section 3 of the Insurance Act, 1938 (IRDA Circular No. IRDA/F&A/ CIR/ GLD/ 062/04/2015 dated 7<sup>th</sup> April, 2015) which states that the Authority has dispensed with the issuing of annual renewal certificates. The License Fees for the Financial Year 2022-23 has been paid as per the Regulation 20 of the IRDAI (Registration of Indian Insurance Companies) (Seventh Amendment) Regulations, 2016 dated December 15, 2016.

## INVESTMENTS

The Investments function supports the core business of the Company. The Investments of the Company are made in accordance with the Investment Policy of the Company as approved by the Board of Directors. The Investment Portfolio of the Company as on 31<sup>st</sup> March 2022 is Rs 814.6 Crores. The Company's Funds are prudently invested to minimize the risk while seeking reasonable returns. The weighted average annualized yield on investment for the Financial Year 2021-22 is 6.30%.

## RISK MANAGEMENT STRATEGY

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

**Risk appetite:** This defines the level of risk the organization is prepared to accept to meet its objectives.

**Governance Arrangements:** These act as the lines of defense to identify and mitigate risks.

**Defined roles and responsibilities:** These help in identifying ownership at each process and department level.

**Reporting Mechanisms:** These help in the adequate reporting of risks and exceptions.

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

## UPDATE ON COVID-19

COVID-19 was declared as a pandemic by World Health Organization (WHO) on 11th March 2020. The Union government, as a measure to control and contain the spread of the virus, announced a nationwide lockdown on 24th March 2020. For a large part of the year stringent measures including complete and partial lockdowns were implemented in different parts of the country. For the second quarter of Financial Year 2021-22, the measures started getting lifted in a gradual manner and economic activity slowly resumed. The number of people affected by COVID-19 slowly decreased in the latter half of the year and there was a significant uptick observed in the overall economic activity. The resurgence of cases in the last quarter of the financial year has led to again significant localized curbs in different parts of the country.

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

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



As a prudent practice, your Company does not recognize future premiums on renewals as receivables and are only accounted for when the premiums are received. Other receivables are being closely monitored and are adequately considered from the reporting of solvency standpoint basis the IRDAI (Assets, Liabilities and Solvency Margin of General Insurance business) Regulations, 2016.

Your Company is monitoring all contracts. The internal assessment on the data available does not indicate any contracts from becoming onerous. However, we continue to monitor the same. Your Company had already redrawn the business plan considering the impact of COVID-19. Though COVID-19 is expected to have a short-term impact, the long-term impact is likely to be comparatively much lesser. Your Company has assessed the underlying cashflows basis the revised business plan whether the deferred tax assets are likely to be utilized. Basis the information currently available, the management is of the view that there would be no material impact on the same. However, if the impact on the economy is prolonged the actual experience could be in divergence with the expected impact.

#### **MATERIAL CHANGES AND COMMITMENTS**

There were no material changes or commitments, affecting the financial position of the Company between 31<sup>st</sup> March 2022 and the date of this report.

#### **DISCLOSURE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

Your Company has neither made any application, nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016, during the year under review.

#### **INTERNAL FINANCIAL CONTROL**

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

#### **INTERNAL AUDIT**

The internal audit function is outsourced, as permitted by the relevant IRDAI regulations, to M/s. Mahajan & Albara, Chartered Accountants LLP. M/s. Mukund M. Chitale & Co., Chartered Accountants were appointed as an Internal Auditor for Investment function. The Internal Auditors have completed their audit and the Board of Directors' report, that there was no high or critical risk issues in the report submitted.

#### **NOMINATION & REMUNERATION POLICY**

The Company follows a Nomination and Remuneration Policy for members of the Board of Directors', Key Managerial Personnel (KMP), Senior Management and employees. The objective of the Nomination and Remuneration Policy of your Company is to focus on enhancing the value, to retain and motivate employees and Directors for achieving the objectives of the Company and to place the Company in a leadership position through the appropriate selection and compensation framework/ strategy.

The Policy ensures that; the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully; Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and Remuneration to Directors, KMPs and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Policy is available on the website of the company (weblink - <https://www.rahejaqbe.com/compliance>).

## CORPORATE GOVERNANCE

The IRDAI Guidelines for Corporate Governance for Insurers in India dated May 18, 2016 ('the Guidelines') has been implemented fully by the Company. A certificate of compliance to the Guidelines from Chief Compliance Officer is attached with this Report as Annexure I.

### Compliance with Secretarial Standards

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

## COMMITTEES & REMUNERATION

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

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

### I. Audit Committee:

The Audit Committee comprises of Ms. Ameeta Parpia (Chairperson), Mr. Shobhan Thakore, Mr. Vikas Newatia, Mr. Vijay Aggarwal and Mr. Christopher Killourhy as on 31<sup>st</sup> March 2022.

Mr. Declan Moore was appointed as Alternate Member to Mr. Christopher Killourhy for the Audit Committee Meeting held on 27<sup>th</sup> July 2021.

### Scope:

To support the Board in overseeing the effectiveness of financial reporting, monitor the integrity of Company's financial reporting, discuss with the external auditor significant financial and other reporting issues, judgements and findings, review and assess information from internal auditors, review external auditor's independence, objectivity and effectiveness and recommendation for appointment of auditors and fixing their remuneration, the Committee shall review the effectiveness of Internal Control Systems, review scope and audit plan, oversee efficient functioning of the internal audit, review Company's system, policies, processes for monitoring compliance with financial reporting, tax laws, regulations.

The Audit Committee had met four times during the year ended 31<sup>st</sup> March 2022 on i) 4<sup>th</sup> May 2021 ii) 27<sup>th</sup> July 2021 iii) 25<sup>th</sup> October 2021 and iv) 25<sup>th</sup> January 2022 and the details of attendance by the Committee members are as follows:

Sl. No.	Name of Director	Nature of Directorship	Designation in the Committee	Meeting dated May 4, 2021	Meeting dated July 27, 2021	Meeting dated October 25, 2021	Meeting dated January 25, 2022
1	Ms. Ameeta Parpia	Independent Director	Chairperson	Present	Present	Present	Present
2	Mr. Shobhan Thakore	Independent Director	Member	Present	Present	Present	Present

3	Mr. Vikas Newatia	Independent Director	Member	Present	Present	Present	Present
4	Mr. Vijay Aggarwal	Non-Executive Director	Member	Present	Present	Present	Present
5	Mr. Christopher Killourhy	Non-Executive Director	Member	Present	Absent	Present	Present
6	Mr. Declan Moore*	Non-Executive Director	Alternate Member	N.A.	Present	N.A.	N.A.

\* Mr. Declan Moore was appointed as Alternate Member to Mr. Christopher Killourhy for the Meeting held on July 27, 2021.

## II. Investment Committee

The Investment Committee comprises of Mr. Vijay Aggarwal (Chairman), Mr. Vikas Newatia, Mr. Swaraj Krishnan, Mr. Christopher Killourhy, Mr. Pankaj Arora, Managing Director & CEO, Mr. Chandraprakash Jain, Chief Financial Officer, Mr. Shantanu Pathak, Chief Investment Officer, Mr. Rohit Ajaonkar, Appointed Actuary, Ms. Saba Adil, Chief People Officer & Chief Risk Officer as on 31<sup>st</sup> March 2022.

Mr. Declan Moore was appointed, as Alternate Member to Mr. Christopher Killourhy for the Investment Committee Meeting held on 27<sup>th</sup> July 2021. Further, Ms. Saba Adil was inducted as a member of Investment Committee effective 25<sup>th</sup> January 2022 pursuant to her appointment as the Chief Risk Officer effective 25<sup>th</sup> January 2022 and cessation of Mr. Rohit Ajaonkar as Chief Risk Officer effective close of business hours on 27<sup>th</sup> August 2021.

Scope:

Recommend and review investment policy and changes thereto, review investments and submit Investment Performance Report, provide an analysis of investment portfolio and on the future outlook to enable the Board to look out possible changes and strategies. Ensure Board framework, guidelines are in place for performance of Investment function. Ensure that Investment Policy focus on prudential ALM supported by robust Internal Control System. Ensure that the Members of the Committee should familiarize with the various Acts, Rules, Regulations, Guidelines, Circulars issued by IRDAI from time to time. Review overall Investment Performance against any targets and performance goals are established in business plan.

The Committee had met 4 times during the year ended 31<sup>st</sup> March 2022 on i) 4<sup>th</sup> May 2021, ii) 27<sup>th</sup> July 2021 iii) 25<sup>th</sup> October 2021 iv) 25<sup>th</sup> January 2022 and the details of attendance by the Committee Members are as follows:

Sl. No.	Name of Director / KMP	Nature of Directorship	Designation in the Committee	Meeting dated May 4, 2021	Meeting dated July 27, 2021	Meeting dated October 25, 2021	Meeting dated January 25, 2022
1	Mr. Vijay Aggarwal	Non-Executive Director	Chairman	Present	Present	Present	Present
2	Mr. Vikas Newatia	Independent Director	Member	Present	Present	Present	Present
3	Mr. Swaraj Krishnan	Independent Director	Member	Present	Present	Present	Present
4	Mr. Pankaj Arora	Managing Director & CEO	Member	Present	Present	Present	Present

5	Mr. Shantanu Pathak	Chief Investment Officer	Member	Present	Present	Present	Present
6	Mr. Chandraprakash Jain	Chief Financial Officer	Member	Present	Present	Present	Present
7	Mr. Rohit Ajgaonkar*	Appointed Actuary & Chief Risk Officer	Member	Present	Present	Present	Present
8	Mr. Christopher Killourhy	Non-Executive Director	Member	Present	Absent	Present	Present
9	Mr. Declan Moore*	Non-Executive Director	Alternate Member	N.A.	Present	N.A.	N.A.
10	Ms. Saba Adil**	Chief People Officer & Chief Risk Officer	Member	N.A.	N.A.	N.A.	N.A.

\*Mr. Declan Moore was appointed as Alternate Member to Mr. Christopher Killourhy for the Meeting held on July 27, 2021.

\*\* Ms. Saba Adil was inducted as a member effective January 25, 2022.

# Mr. Rohit Ajgaonkar ceased to be Chief Risk Officer effective close of business hours on 27<sup>th</sup> August 2021.

### III. Risk Management Committee

The Risk Management Committee comprises of Mr. Vijay Aggarwal (Chairman), Ms. Ameeta Parpia, Ms. Aneeta Kulkarni, Mr. Swaraj Krishnan, Mr. Vikas Newatia, Mr. Declan Moore and Mr. Pankaj Arora as on 31<sup>st</sup> March 2022.

Mr. Christopher Killourhy ceased to be a Member and Mr. Declan Moore was inducted as a Member of the Committee effective 27<sup>th</sup> April 2021.

#### Scope:

To oversee the effectiveness of the Company's risk and capital management frameworks in order to support strategic objectives, support and inform business plans. To establish Risk Management framework and recommend to the Board Risk Management Policy, review Company's risk-reward performance, to assist the Board in effective operation of the risk management system by performing specialized analyses and quality review. To assist the Board in effective operation of the risk management system by performing specialized analyses and quality review. To report to the Board, details on the risk exposures and the actions taken to manage the exposures. Review the solvency position of the Company on regular basis. monitor and review regular updates on business continuity.

The Committee has met four times during the year ended 31<sup>st</sup> March 2022 on i) 4<sup>th</sup> May 2021 ii) 27<sup>th</sup> July 2021 iii) 25<sup>th</sup> October 2021 iv) 25<sup>th</sup> January 2022 and the details of attendance by the Committee Members are as follows:

Sl. No.	Name of Director	Nature of Directorship	Designation in the Committee	Meeting dated May 4, 2021	Meeting dated July 27, 2021	Meeting dated October 25, 2021	Meeting dated January 25, 2022
1	Mr. Vijay Aggarwal	Non-Executive Director	Chairman	Present	Present	Present	Present
2	Mr. Swaraj Krishnan	Independent Director	Member	Present	Present	Present	Present

3	Mr. Vikas Newatia	Independent Director	Member	Present	Present	Present	Present
4	Ms. Ameeta Parpia	Independent Director	Member	Present	Present	Present	Present
5	Ms. Aneeta Kulkarni	Non-Executive Director	Member	Present	Present	Present	Present
6	Mr. Declan Moore*	Non-Executive Director	Member	Present	Present	Present	Present
7	Mr. Pankaj Arora	Managing Director & CEO	Member	Present	Present	Present	Present
8	Mr. Christopher Killourhy*	Non-Executive Director	Member	N.A.	N.A.	N.A.	N.A.
9	Mr. Rohit Ajgaonkar	Appointed Actuary & Chief Risk Officer	Invitee	Present <sup>#</sup>	Present <sup>#</sup>	Present <sup>#</sup>	Present <sup>#</sup>

\* Mr. Christopher Killourhy ceased to be a Member and Mr. Declan Moore was appointed as a Member effective 27<sup>th</sup> April 2021

# Mr. Rohit Ajgaonkar ceased to be Chief Risk Officer effective close of business hours on 27<sup>th</sup> August 2021.

#### IV. Protection of Policyholder Committee:

The Protection of Policyholder Committee comprises of Mr. Swaraj Krishnan (Chairman), Ms. Aneeta Kulkarni, Mr. Shobhan Thakore, Mr. Pankaj Arora and Mr. Declan Moore as on 31<sup>st</sup> March 2022.

Mr. Christopher Killourhy ceased to be a Member and Mr. Declan Moore was inducted as a Member of the Committee effective 27<sup>th</sup> April 2021.

Scope:

Responsible for putting in place proper procedures and effective mechanism to address Complaints and grievances of policyholders and review the status of complaints at periodic intervals, ensure compliance with the statutory requirements, ensure adequacy of disclosure of 'material information' to the policyholders.

The Committee has met four times during the year ended 31<sup>st</sup> March 2022 on i) 4<sup>th</sup> May 2021 ii) 27<sup>th</sup> July 2021 iii) 25<sup>th</sup> October 2021 and iv) 25<sup>th</sup> January 2022 and the details of attendance by the Committee members are as follows:

Sl. No.	Name of Members	Nature of Directorship	Designation in the Committee	Meeting dated May 4, 2021	Meeting dated July 27, 2021	Meeting dated October 25, 2021	Meeting dated January 25, 2022
1	Mr. Swaraj Krishnan	Independent Director	Chairman	Present	Present	Present	Present
2	Ms. Aneeta Kulkarni	Non-Executive Director	Member	Present	Present	Present	Present
3	Mr. Shobhan Thakore	Independent Director	Member	Present	Present	Present	Present

4	Mr. Pankaj Arora	Managing Director & CEO	Member	Present	Present	Present	Present
5	Mr. Declan Moore*	Non-Executive Director	Member	Present	Present	Present	Present
6	Mr. Christopher Killourhy*	Non-Executive Director	Member	N.A.	N.A.	N.A.	N.A.
7	Mr. Anand Baliga	Expert / Customer Representative	Invitee	Absent	Present	Absent	Present

\* Mr. Christopher Killourhy ceased to be a Member and Mr. Declan Moore was appointed as a Member effective 27<sup>th</sup> April 2021.

#### V. Nomination & Remuneration Committee:

The Nomination and Remuneration Committee comprises of Ms. Ameeta Parpia (Chairperson), Mr. Akshay Raheja, Mr. Shobhan Thakore and Mr. Declan Moore as on 31<sup>st</sup> March 2022.

Mr. Christopher Killourhy ceased to be a Member and Mr. Declan Moore was inducted as a Member of the Committee effective 27<sup>th</sup> April 2021.

Scope:

Recommend to the Board appointment and removal of directors and person appointed in senior management, carry out evaluation of every director's performance, formulate the criteria for determining qualifications, positive attributes and independence of a director, recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial personnel and other employees.

The Nomination and Remuneration Committee has met four times during the year ended 31<sup>st</sup> March 2022 on i) 4<sup>th</sup> May 2021 ii) 27<sup>th</sup> July 2021 iii) 25<sup>th</sup> October 2021 and iv) 25<sup>th</sup> January 2022 and the details of attendance by the Committee Members are as follows:

Sl. No.	Name of Director	Nature of Directorship	Designation in the Committee	Meeting dated May 4, 2021	Meeting dated July 27, 2021	Meeting dated October 25, 2021	Meeting dated January 25, 2022
1	Ms. Ameeta Parpia	Independent Director	Chairperson	Present	Present	Present	Present
2	Mr. Akshay Raheja	Non-Executive Director	Member	Present	Present	Present	Absent
3	Mr. Shobhan Thakore	Independent Director	Member	Present	Present	Present	Present
4	Mr. Declan Moore*	Non-Executive Director	Member	Present	Present	Present	Present
5	Mr. Christopher Killourhy*	Non-Executive Director	Member	N.A.	N.A.	N.A.	N.A.

\* Mr. Christopher Killourhy ceased to be a Member and Mr. Declan Moore was appointed as a Member effective 27<sup>th</sup> April 2021

## **VI. INDEPENDENT DIRECTORS MEETING:**

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

Accordingly, Independent Directors of the Company met on 25<sup>th</sup> January 2022 without the presence of Managing Director, Non-Executive and Non-Independent Directors and Management Personnel for evaluation of performance. The performances evaluated were found satisfactory.

## **VII. MANAGING DIRECTOR'S REMUNERATION**

### **Qualitative Disclosure:**

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

### **Quantitative Disclosure:**

Number of MD/CEO/WTDs having received a variable remuneration award during the financial year: One

Number and total amount of sign on awards made during the financial year: N.A.

Details of guaranteed bonus, if any, paid as joining/ signing bonus: N.A.

Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms:

### **Long Term incentive to Mr. Pankaj Arora:**

- Total amount of Rs. 92 lakhs as Long-Term Incentive in cash payable in August/September 2020, August/September 2021, August/September 2022 in 3 equal tranches to Mr. Pankaj Arora, Managing Director and CEO based on 3 years business performance. Accordingly, first tranche of Rs. 30.66 lakhs was paid in the month of October 2020, second tranche of Rs 30.66 lakhs was paid in March 2022.
- Total amount of Rs. 1 Crore as Long-Term Incentive in cash payable in August/September 2021, August/September 2022, August/September 2023 in 3 equal tranches to Mr. Pankaj Arora, Managing Director and CEO based on 3 years business performance. Accordingly, first tranche of Rs. 33.33 lakhs was paid in the month of March 2022.
- Total amount of Rs. 1.09 Crore as Long-Term Incentive in cash to be paid in August/September 2022, August/September 2023, August/September 2024 in 3 equal tranches to Mr. Pankaj Arora, Managing Director and CEO based on 3 years business performance.

**Short Term Incentive to Mr. Pankaj Arora:**

- Total amount of Rs. 1 Crore as Short-term Incentive in cash was paid in March 2022 to Mr. Pankaj Arora, Managing Director and CEO.
- Total amount of Rs. 1.09 Crore as Short-term Incentive in cash to be paid in August/September 2022 to Mr. Pankaj Arora, Managing Director and CEO

Total amount of Rs. 0.13 Crore outstanding deferred remuneration as on 31<sup>st</sup> March 2022 payable to Mr. Praveen Gupta (Ceased to be Managing Director & CEO effective March 31, 2019), as per the Nomination & Remuneration Policy of the Company.

Total amount of deferred remuneration paid out in the Financial Year 2021-22: Rs. 0.28 Crore paid to Mr. Praveen Gupta (ceased to be Managing Director & CEO effective 31st March 2019) during Financial Year 2021-22 as per the Nomination & Remuneration Policy of the Company.

Breakup of amount of remuneration awarded for the financial year to show fixed and variable, deferred and non-deferred.

Name of MD & CEO	For the financial year	Fixed remuneration	Variable Remuneration	Total Remuneration
Pankaj Arora	2021-22	Rs. 3.27 crore plus benefits (insurance: GTL, GMC (self and family), GPA, Life Insurance for self, mobile phone, laptop provided by the company, fuel reimbursed on actuals)	Rs. 2.18 crore: Rs. 1.09 crore as Short-Term Incentive of Financial Year 2021-22 to be paid in August/September 2022 and Rs. 1.09 crore as Long-Term Incentive of Financial Year 2021-22 to be paid in August/September 2022, August/September 2023, August/September 2024 in 3 equal tranches  - Rs. 1 Crore as Short-Term Incentive of financial Year 2020-21 was paid in the month of March 2022 and Rs. 92 lakhs as Long-Term Incentive of Financial Year 2019-20 to be paid in 3 equal tranches - first tranche of Rs. 30.66 lakhs was paid in the month of October 2020, second tranche of 30.66 lakhs was paid in the month of March 2022 and balance third tranche to be paid in August/September 2022.  Rs. 1 Crore as Long-Term Incentive of Financial Year 2020-21 to be paid in 3 equal tranches - first tranche of Rs. 33.33 lakhs was paid in the month of March 2022 and	Rs. 5.45 crore plus other additional benefits



			balance 2 tranches to be paid in August/September 2022 and August/September 2023 respectively	
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Note:

1. Taxes as applicable
2. Eligible for Flexi Compensation structure as per Company's policy
3. STIP payout is subject to favourable business performance and performance parameter agreed upon and employee not resigning as on the date of payment
4. LTIP payout is subject to three years business performance and parameters mutually agreed upon and employee not resigning as on the date of payment. 1st instalment and 2nd instalment is based on 1 (one) year and 2 (two) year performance respectively. The 3rd instalment is payable for all 3 (three) years business performance.

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Pankaj Arora, Managing Director & CEO#	Praveen Gupta, Managing Director & CEO*	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,75,53,477	-	4,75,53,477
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11,04,441	-	11,04,441
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5.	Others, please specify	-	27,83,200	27,83,200
	Variable Remuneration			
	<b>Total (A)</b>	<b>4,86,57,918</b>	<b>27,83,200</b>	<b>5,14,41,118</b>
	Ceiling as per the Act	-	-	-

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

# As per Form 16

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Jigar Shah Company Secretary & Chief Compliance Officer	Chandraprakash Jain, Chief Financial Officer	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,07,692	98,21,324	1,34,29,016
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	39,600	39,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	36,07,692	98,60,924	1,34,68,616

Remuneration details of key management persons (as per IRDAI Guidelines for Corporate Governance) other than /manager/WTD and above mentioned Key Managerial Personnel

Sl. no.	Particulars of Remuneration	Key Management Persons										
		Shantanu Pathak	Rahul Sharma (till 14.9.2021)	Rohit Ajgaonkar	Saba Adli	Puneet Sahni	Ritu Nazir	Suman Pal (effective 13.9.2021)	Abhijit Kedie	Farzan Khansaheb	Rajeev Dogra	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	4,836,711	5,818,306	14,941,712	13,082,403	7,472,182	8,858,796	7,439,506	8,499,198	16,389,175	12,832,974	100,170,963
	(b) Value of perquisites u/s 17(2) Income-tax Act,					174,000	-	188,648	212,604	694,464	328,915	1,598,631

1961	-	-	-	-	-	-	-	-	-	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961												
2. Stock Option	-	-	-	-	-	-	-	-	-	-	-	-
3. Sweat Equity	-	-	-	-	-	-	-	-	-	-	-	-
4. Commission	-	-	-	-	-	-	-	-	-	-	-	-
- as % of profit												
- others, specify...												
5. Others, please Specify	-	-	-	-	-	-	-	-	-	-	-	-
Total	4,836,711	5,818,306	14,941,712	13,082,403	7,646,182	8,858,796	7,628,164	8,711,802	17,083,639	13,161,889	101,769,594	

#### DETAILS OF REMUNERATION AND SITTING FEES TO NON-EXECUTIVE DIRECTOR

Non-Executive & Non-Independent Directors' were not paid any sitting fees and profit related commission during the Financial Year 2021-22.

#### DETAILS OF REMUNERATION AND SITTING FEES TO INDEPENDENT DIRECTOR

Name of Director	Sitting Fees	Commission
Ms. Ameeta Parpia	₹ 6,50,000	NIL
Mr. Shobhan Thakore	₹ 6,50,000	NIL
Mr. Vikas Newatia	₹ 6,50,000	NIL
Mr. Swaraj Krishnan	₹ 5,50,000	NIL

#### PARTICULARS OF GENERAL MEETINGS

The Board reports that during the year under review, your Company had convened two (2) Extraordinary General Meeting (EGM) on 19<sup>th</sup> August 2021 and 25<sup>th</sup> January 2022. At the Meeting held on 19<sup>th</sup> August 2021, the Memorandum of Association, Articles of Association were altered, the Authorised Share capital was increased and revision in remuneration of Mr. Pankaj Arora, Managing Director & CEO was approved. At the Meeting held on 25<sup>th</sup> January 2022, the Memorandum of Association, Articles of Association were altered, and the Authorised Share capital was increased. Further, the Annual General Meeting of the Company was held on 27<sup>th</sup> July 2021.

#### VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

#### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year, no company has become/ ceased to be a subsidiary or an associate or joint venture company of the Company.

## MANAGEMENT REPORT

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

## RELATED PARTY TRANSACTIONS

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

The Policy on materiality of related party transactions and on dealings with related party transactions as approved by the Audit Committee and the Board of Directors has been implemented. All related party transactions that were entered into during the Year under review were on arm's length basis and were in the ordinary course of the business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have potential conflict with interest of the Company at large.

## SOLVENCY MARGIN

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

The solvency ratio of the Company as on 31<sup>st</sup> March 2022 was 2.22 against the minimum regulatory requirement of 1.5.

## STATUTORY INFORMATION

### Particulars of Employees

Your Company has created a competent, diverse and inclusive workforce. The total number of employees of your Company stands at 243 as on 31<sup>st</sup> March 2022. This Report is being sent to the Members of the Company excluding the information required under Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any Shareholders interested in obtaining a copy of the statement may send an email to [hrpayroll@rahejaqbe.com](mailto:hrpayroll@rahejaqbe.com).

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

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

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

Foreign exchange earnings: Rs. 1,98,00,959.51

Foreign exchange expenditures: Rs. 4,17,81,348.21

## **PREVENTION OF SEXUAL HARASSEMENT**

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

<b>Particulars</b>	<b>Nos.</b>
Number of Complaints of Sexual harassment during the year	1
Number of Complaints disposed of during the year	1

## **AUDITORS**

### **STATUTORY AUDITORS**

M/s. Sudit K. Parekh & Co. LLP, Chartered Accountants, Registration No. (Firm's Registration No. W-100378), were appointed as Joint Statutory Auditors of the Company at the Annual General Meeting held on 23<sup>rd</sup> May 2017 and M/s. Shah Gupta & Co, Chartered Accountants, Registration No. (109674W), were appointed as Joint Statutory Auditors of the Company at the Annual General Meeting held on 15<sup>th</sup> June 2018, subject to ratification by the Members at every AGM. However, there is no further requirement to ratify the appointment of auditors by Members each year as per notification dated 7<sup>th</sup> May 2018 issued by the Ministry of Corporate Affairs, New Delhi.

In accordance with the provisions of Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and in accordance with the provisions of 'Guidelines for Corporate Governance for insurers in India' issued by Insurance Regulatory & Development Authority of India bearing reference No. IRDA/F&A/GDL/CG/100/05/2016 dated 18<sup>th</sup> May 2016, M/s. Sudit K. Parekh & Co., LLP, Chartered Accountants will complete one term of 5 years on the conclusion of 15<sup>th</sup> Annual General Meeting. A proposal for the reappointment of M/s. Sudit K. Parekh & Co., LLP, Chartered Accountants as Statutory Auditors from the conclusion of the 15<sup>th</sup> AGM till the conclusion of the 20<sup>th</sup> AGM has been included in the Notice of the ensuing AGM.

The Company has received letters from M/s. Sudit K. Parekh & Co., LLP, Chartered Accountants that their appointment, if made, shall be in accordance with the conditions as laid down under the provisions of Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and they do not attract any disqualification u/s. 141 of the Companies Act, 2013.

### **SECRETARIAL AUDIT**

Pursuant to provisions of Section 204 of Companies Act, 2013 read with Rule 9 of the Companies (Appointment and remuneration Personnel) Rules, 2014, the Company had appointed M/s. GMJ & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for the Financial Year 2021-22. The Report of the Secretarial Audit is annexed to this Report as Annexure II.

### **COMMENTS ON AUDITORS REPORT**

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

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

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

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

#### **ACKNOWLEDGEMENTS**

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

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

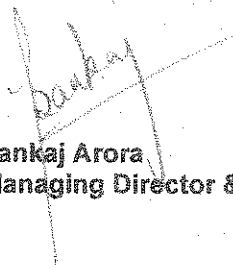
The Board takes this opportunity to thank the Promoters: Prism Johnson Limited, QBE Holdings (AAP) Pty. Ltd and QBE Asia Pacific Holdings Limited for providing their invaluable guidance and support.

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

For and on behalf of the Board of Directors



**Akshay Raheja**  
**Chairman and Non-Executive Director**



**Pankaj Arora**  
**Managing Director & CEO**


**Date:** 6<sup>th</sup> May 2022

**Place:** Mumbai

COMPLIANCE CERTIFICATE

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

Place: Mumbai  
Date: 6<sup>th</sup> May 2022



Jigar Shah  
Chief Compliance Officer

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**  
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014)

To,  
The Members,  
**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**  
Ground Floor, P & G Plaza,  
Cardinal Gracious Road,  
Chakala, Andheri (East)  
Mumbai - 400 099.

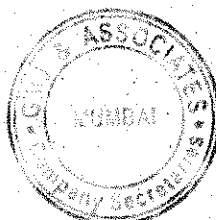
We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 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, minutes' books, forms and returns filed and other records maintained by **RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED** for the financial year ended on March 31, 2022 according to the provisions of:

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

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# **GMJ & Associates**

Company Secretaries

3rd & 4th Floor, Vastu Darshan,  
'B' Wing, Above Central Bank of India,  
Azad Road, Andheri (East),  
Mumbai - 400 069.  
Tel. No.: 6191 9293  
Email : cs@gmj.co.in

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

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

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

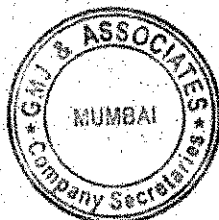
We report that the Compliance by the Company of applicable financial laws, like direct, indirect tax laws and Goods and Service Tax has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.
2. Adequate notice is given to all Directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

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# GMJ & Associates

Company Secretaries

3rd & 4th Floor, Vastu Darshan  
B Wing, Above Central Bank of India  
Aundh Road, Aundh, Pune.  
Mumbai - 400 069  
Tel: (020) 6131 9293  
Email: gmj@gmj.co.in

: 3 :

3. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period; the Company had the following specific events:

1. The Company has increased its Authorised Share Capital from Rs. 265,00,00,000/- to Rs. 285,00,00,000/- at the Extra Ordinary General Meeting held on August 19, 2021 and from Rs. 285,00,00,000/- to Rs. 298,00,00,000/- at the Extra Ordinary General Meeting held on January 25, 2022. The Company has altered its Memorandum and Articles of Association in this respect and complied with the provisions of the Act.
2. The Board had approved the issue of 1,92,39,014 equity shares of Rs. 10/- each at a premium of Rs. 16/- in their meeting held on July 27, 2021. The shares were allotted by passing a Circular Resolution on September 16, 2021.
3. The Board had approved the issue of 1,20,73,462 equity shares of Rs. 10/- each at a premium of Rs. 19/- in their meeting held on March 11, 2022. The shares were allotted by passing a Circular Resolution on March 23, 2022.

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

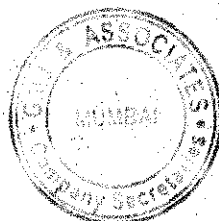
For GMJ & ASSOCIATES  
Company Secretaries

SONIA MELWYN  
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[CS SONIA CHETTIAR]  
PARTNER  
ACS: 27582 COP: 10130  
UDIN : A027582D000280329

PLACE: MUMBAI  
DATE: MAY 6, 2022.

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.



# **GMJ & Associates**

Company Secretaries

3rd & 4th Floor, Vaastu Darshan,  
'B' Wing, Above Central Bank of India,  
Azad Road, Andheri (East),  
Mumbai - 400 069.  
Tel. No.: 6191 9293  
Email : cs@gmj.co.in

## **ANNEXURE A**

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

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

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

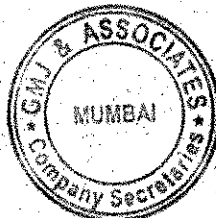
For GMJ & ASSOCIATES  
Company Secretaries

SONIA  
MELWYN  
CHETTIAR

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SONIA MELWYN  
CHETTIAR  
Date: 2022.05.06  
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[CS SONIA CHETTIAR]  
PARTNER  
ACS: 27582 COP: 10130  
UDIN: A027582D000280329

PLACE: MUMBAI  
DATE: MAY 6, 2022.



# 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, and the same is valid. The Company holds a valid certificate of registration.
2. We certify that all dues payable to statutory authorities have been duly paid.
3. We confirm that the shareholding pattern is in accordance with the statutory and regulatory requirements.
4. We confirm that the company did not directly or indirectly invest any policyholder's funds outside India.
5. We confirm that the required solvency margin under the Insurance Act, 1938 / Insurance Laws (Amendment) Act, 2015 has been maintained.
6. We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and in management's belief the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the several headings – "Loans and Advances", "Investments", "Interest", "Sundry Debtors", "Cash", "Interest accruing but not due", "Agents balances", "Amounts due from other persons or Bodies carrying on insurance business" and the several items specified under "Other Accounts".
7. The Company is exposed to a variety of risks associated with general insurance business based on kinds of risks undertaken and fluctuations in value of assets. The Company has adopted a 'Risk Management Strategy' to mitigate the overall risk exposure.
8. We confirm that company does not have operations in any country outside India.
9. The average claims settlement time for FY 2021-22, ageing analysis of claims registered and not settled (excluding provision for IBNR/IBNER, claims relating to inward re-insurance from terrorism pool and reinsurance recovered) during the preceding five years and details of claims intimated is given in – Annexure I, Annexure II and Annexure III respectively.
10. We certify that the investments have been valued as per the IRDAI (Financial Statement) Regulations 2002. The market value of Debt securities is based on the procedure issued by Fixed Income Money Market and Derivatives Association of India (FIMMDA).

The Company's investment portfolio is in line with the IRDAI (Investment) Regulations, 2016 and circulars and the internal guidelines set by the Investment committee. The company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. We ensure that all the investments are made with the objective of the effective management of the funds available for Investment. As of the Balance Sheet date, 36.10% of investments are made in Government Securities, 13.58% in Housing Bonds, 26.73% in Infrastructure Bonds, 23.59% in Approved Investments and 0% in Other Investment.

As per Master Circular of IRDA dated May 2016, Investments in the securities of IL&FS has been classified as Non – Performing Asset (NPA) since the interest on securities has remained overdue for more than 90 days. A provision of 100% of the amortized value of investments in IL&FS amounting to Rs. 1,99,967 thousand has already been made by 2019-20. The interest accrued on all the IL&FS securities till 31st March 2022 has also been reversed. During the year, Unsettled Investment receivables on maturity pertaining to one of the securities issued by Infrastructure Leasing & Financial Services Limited (IL&FS) has been classified to Schedule -12 Advances & Other Assets along with respective provision amounting to ₹ 1,00,000 thousand. We ensure all measures are in place to adhere to all investment regulatory norms.

11. We also confirm that:

- a) In preparation of financial statements, the applicable accounting standards, principles and policies have been followed and there has been no material departure;
- b) The management has adopted accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 and Rs.9,63,864 thousands loss of the Company for the year;
- c) The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938) / Companies Act, 2013 / Insurance Laws (Amendment) Act, 2015 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The management has prepared the financial statements on a going concern basis;
- e) The management has ensured that the internal audit framework is commensurate with the size and the nature of business and is operating effectively.

12. The schedule of payments which have been made to individuals, firms, companies and organizations in which Directors of the insurer are interested is given in **Annexure IV**.

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

**Akshay  
Rajan  
Raheja**  
Digitally signed by  
Akshay Rajan  
Raheja  
Date: 2022.05.06  
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**Vijay  
aggarwal**  
Digitally signed  
by Vijay aggarwal  
Date: 2022.05.06  
15:05:55 +05'30'

**AMEETA  
AZIZ PARPIA**  
Digitally signed by  
AMEETA AZIZ PARPIA  
Date: 2022.05.06  
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**Akshay Raheja**  
Chairman  
DIN: 00288397

**Vijay Aggarwal**  
Director  
DIN: 00515412

**Ameeta Parpia**  
Independent Director  
DIN: 02654277

**PANKAJ  
ARORA**  
Digitally signed by PANKAJ ARORA  
Date: 2022.05.06 14:34:29 +05'30'

**Chandraprakash Jain**  
Digitally signed by  
Chandraprakash Jain  
Date: 2022.05.06  
14:34:12 +05'30'

**SHAH JIGAR  
ASHWIN**  
Digitally signed by SHAH  
JIGAR ASHWIN  
Date: 2022.05.06 14:43:19  
+05'30'

**Pankaj Arora**  
Managing Director & CEO  
DIN: 08327428

**Chandraprakash Jain**  
Chief Financial Officer  
Membership No. 404957

**Jigar Shah**  
Company Secretary  
ACS No: A34571

**Mumbai,**  
**Date: May 6, 2022**

### ANNEXURE I - Average Claims Settlement Time

Line of Business	2021-22		2020-21		2019-20		2018-19		2017-18	
	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	100	120	28	279	11	346	8	343	5	349
Motor (OD)	46,818	29	12,804	25	201	37	37	85	4	130
Motor (TP)	215	664	122	619	156	465	97	330	31	252
Marine	2	138	-	-	-	-	1	39	-	-
Personal Accident & Health	552	64	176	87	57	222	8	232	48	156
Miscellaneous	54	79	24	153	25	237	7	152	5	81
Engineering	78	126	29	91	10	174	1	355	-	-
Public/Other Liability	26	288	221	250	163	637	129	417	152	351
Workmen Compensation	18	206	8	233	5	274	3	52	3	49

### ANNEXURE II - Ageing Analysis of Open Claims Ageing Analysis of Open Claims as on 31st March 2022

(₹ '000)

Line of Business	Fire		Marine		Engineering		Public/Other Liability		Motor (OD)		Motor (TP)		Personal Accident & Health		Misc.*		Total	
Period	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
30 days	16	4,681	1	6	33	5,120	79	19,685	1,143	1,04,453	103	65,666	59	5,337	8	163	1442	2,05,111
30 days to 6 months	15	17,069	2	32	29	11,160	45	11,062	55	17,128	87	59,143	3	367	4	68	240	1,16,029
6 months to 1 year	34	60,411	-	-	23	7,599	106	63,686	29	6,488	150	1,27,325	2	0	1	5	345	2,65,514
1 year to 5 years	4	735	-	-	1	2	193	5,40,594	12	4,251	478	5,29,733	4	478	-	-	692	10,75,793
5 years and above	-	-	-	-	-	-	14	2,32,277	-	-	6	3,240	1	25	-	-	21	2,35,542

\*Misc. includes Employer's Liability

### Ageing Analysis of Open Claims as on 31st March 2021

(₹ '000)

Line of Business	Fire		Marine		Engineering		Public/Other Liability		Motor (OD)		Motor (TP)		Personal Accident & Health		Misc.*		Total	
Period	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
30 days	5	902	-	-	-	-	32	8,609	1,121	48,630	45	30,876	63	947	9	733	1,275	90,697
30 days to 6 months	12	2,106	-	-	28	141	67	90,533	963	65,815	127	97,563	16	1,100	31	4,021	1,244	2,61,279
6 months to 1 year	8	1,661	-	-	4	27	66	85,779	20	7,276	94	65,334	2	92	10	342	204	1,60,512
1 year to 5 years	1	10	-	-	-	-	134	2,15,732	3	1,049	402	4,32,771	2	609	26	8,471	568	6,58,642
5 years and above	-	-	-	-	-	-	7	15,246	-	-	-	-	1	30	-	-	8	15,275

\*Misc. includes Employer's Liability

### Ageing Analysis of Open Claims as on 31st March 2020

(₹ '000)

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

\*Misc. includes Employer's Liability

### Ageing Analysis of Open Claims as on 31st March 2019

(₹ '000)

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

\*Misc. includes Employer's Liability

### Ageing Analysis of Open Claims as on 31st March 2018

(₹ '000)

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

\*Misc. includes Employer's Liability

### ANNEXURE III - Details of Claims Intimated

(₹ '000)

Line of Business	For the year ended March 31,2022		For the year ended March 31,2021	
	Claims Intimated	Amount	Claims Intimated	Amount
Fire	170	58,655	38	1,959
Marine	5	43	-	-
Motor (OD)	48,026	13,45,328	14,849	12,755
Motor (TP)	411	2,21,437	292	1,93,240
Employer's Liability	45	3,520	21	3,399
Public/Other Liability	329	73,244	317	59,510
Engineering	137	17,369	61	1,581
Personal Accident	5	31,715	5	4,669
Health	866	1,82,365	241	3,408
Other Misc.	10	679	38	3,480
<b>Total</b>	<b>50,004</b>	<b>19,34,355</b>	<b>15,862</b>	<b>2,84,000</b>

### ANNEXURE IV – Schedule of payment made to individuals, firms, companies and organizations in which the Directors are interested

(₹ '000)

Sr. No	Entity in which the Director is interested	Name of Director	Interested as	Amount of payment during the financial year	Nature of Payment
1	Prism Johnson Ltd. (Formerly Prism Cement Limited)	Mr. Akshay Raheja	Shareholder & Additional Director	60	Lease Rent Payment
		Mr. Vijay Aggarwal	Managing Director & KMP	399	Claims Payment
		Ms. Ameeta Parpia	Independent Director & Shareholder	187	Excess Premium Amount Refunded
		Mr. Shobhan Thakore	Independent Director		
		Ms. Aneeta Kulkarni	KMP		
2	Hathway Cable & Datacom Ltd.	Mr. Akshay Raheja	Director & Shareholder	570	Internet Subscription charges
		Ms. Ameeta Parpia	Director & Shareholder		
3	Exide Life Insurance Co. Ltd.	Mr. Vijay Aggarwal	Non-Executive Director	3,096	Group Term Life Insurance
				22	Claim Payment
4	Globus Stores Pvt. Ltd.	Mr. Akshay Raheja	Director & Shareholder	487	Claim Payment





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

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

## INDEPENDENT AUDITORS' REPORT

To the Members of Raheja QBE General Insurance Company Limited  
Report on the audit of the financial statements

### Opinion

We have audited the financial statements of Raheja QBE General Insurance Company Limited (the 'Company'), which comprise the Balance Sheet as at March 31, 2022, and the Revenue Account of Fire, Marine and Miscellaneous insurance (collectively known as the 'Revenue Account'), the Profit and Loss Account and the Receipts and Payments Account for the year then ended on that day, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

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

- i. In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2022;
- ii. In case of Revenue Account, of the operating profit in case of Marine business and operating loss in case of Fire business and Miscellaneous business for the year ended on that date;
- iii. In case of the Profit and Loss Account, the loss for the year ended on that date; and
- iv. In case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

### Basis of Opinion

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

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

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

#### **Other Matter**

The estimate of liabilities in respect of Claims Incurred But Not Reported ('IBNR'), Claims Incurred But Not Enough Reported ('IBNER') and Premium Deficiency Reserve ('PDR') as at March 31, 2022 has been duly certified by the Company's appointed actuary and in his opinion, assumptions considered for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the appointed actuary's certificate in this regard for forming our opinion on the financial statements of the Company. Our opinion is not modified in respect of this matter.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

#### **Responsibility of the Management for the financial statements**

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

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditors' responsibilities for audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate of even date on the matters specified in paragraph 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. Further to our comments in the certificate referred to in the other matter, as required by the IRDA Financial Statements Regulations, read with sub section (3) of Section 143 of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory.

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

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

- b. In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. As the Company's financial accounting system is centralized and maintained at the Corporate Office, no returns for the purpose of our audit are prepared at the branches of the Company.
- d. The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account.
- e. The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report comply with the Accounting Standards specified under Section 133 of the Companies Act, to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions/circulars issued by the IRDAI in this regard.
- f. In our opinion and to the best of our information and according to the explanations given to us, investments of the Company have been valued in accordance with the provisions of the Insurance Act, the Regulations and / or orders/directions issued by IRDAI in this regard;
- g. In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under Section 133 of the Act and rules framed there under, as applicable and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders/directions/circulars issued by the IRDA in this regard;
- h. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
- i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' to this report.
- j. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of the sub-section (16) of Section 197 of the Act, as amended, we report that managerial remuneration payable to the Company's directors is governed by the provisions of Section 34A of the Insurance Act, 1938 and requires the approval of the IRDAI. Accordingly, the managerial limits specified under the provisions of Section 197 of the Act are not applicable to the Company.

**Sudit K. Parekh & Co. LLP**  
**Chartered Accountants**  
Urmi Axis, 6<sup>th</sup> Floor, Famous Studio Lane,  
Dr. E. Moses Road, Mahalaxmi,  
Mumbai - 400 011.

- For **SHAH GUPTA & CO.**  
Chartered Accountants  
Firm Reg. No: 109574W

**Digitally signed by PARETH PRANASHI PATEL,**  
DN: cn=PARETH PRANASHI PATEL, postalCode=400098,  
st=Maharashtra,  
2.5.4.20=a2d76cd7a5f69911b4eacba0196ae4930c  
e5593944367260341e54b679a235e3e3,  
pseudoDn=cncFZC2HCE28CE20A9AA4B8307F6E  
FE2B9DC310CEA,  
serialNumber=22B17BD5113AF64BA697C60F  
0650399375BEE720E1010E46PES113B8A4790,  
cn=PARETH PRANASHI PATEL  
Date: 2022.05.06 19:13:21 +05'30'

Partner

Membership No: 172670

ICAI UDIN No: 22172670AINKUD1018

Place: Mumbai

Date: May 6, 2022

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

[illegible]

**Nemish Kapadia**

Partner

Membership No: 111929

ICAI UDIN No: 22111929A\NRLS5418

Place: Mumbai

Date: May 6, 2022

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

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

**Annexure A**

**Annexure to the Independent Auditor's Report**

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

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

We have audited the internal financial controls with reference to financial statements of Raheja QBE General Insurance Company Limited ('the Company') as of March 31, 2022 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 with reference to financial statements**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

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

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 with reference to these financial statements.

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

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

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

Because of the inherent limitations of internal financial controls with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to these financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

The estimate of liabilities in respect of claims Incurred But Not Reported ('IBNR'), Incurred But Not Enough Reported ('IBNER') and Premium Deficiency Reserve ('PDR') as at March 31, 2022 has been duly certified by the company's appointed actuary as per the regulations, and has been relied upon by us, as mentioned in para 'Other Matters' of our audit report on the financial statements for the year ended March 31, 2022. Accordingly, our opinion on the internal financial controls with reference to the financial statements does not include reporting on the adequacy and operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation. Our opinion is not modified in respect of this matter.

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

[illegible]

KAPADIA  
NEMISH BHARAT

[illegible]

**Nemish Kapadia**

Partner

Membership No.111929

ICAI UDIN No: 22111929AINRLS5418

Place: Mumbai

Date: May 6, 2022

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

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

#### **INDEPENDENT AUDITORS' CERTIFICATE**

**To the Members of Raheja QBE General Insurance Company Limited**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company)

1. This Certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C of Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the 'IRDA Financial Statements Regulations') read with Regulation 3 of the IRDA Financial Statements Regulations.

#### **Management's Responsibility for compliance and preparation of the Statement**

2. The Company's Board of Directors is responsible for complying with the provisions of the Insurance Act, 1938 as amended from time to time including amendment brought by the Insurance Laws (Amendment) Act, 2015 (the 'Insurance Act') (read with Insurance Regulatory and Development Authority of India circular IRDAI/F&A/CIR/056/03/2016 dated April 04, 2016), the Insurance Regulatory and Development Authority Act, 1999 (the 'IRDA Act'), the IRDA Financial Statements Regulations, orders/direction/circulars issued by the Insurance Regulatory and Development Authority (the 'IRDAI') 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 Responsibilities**

3. Pursuant to the requirements, it is our responsibility, to obtain reasonable assurance and form an opinion based on our audit and examination of books and records as to whether the Company has complied with the matters contained in paragraphs 3 and 4 of Schedule C of the Regulations read with Regulation 3 of the Regulations.
4. We audited the financial statements of Raheja QBE General Insurance Company Limited as of and for the financial year ended March 31, 2022, on which we issued an unmodified audit opinion vide our report dated May 6, 2022. Our audits of these financial statements were conducted in accordance with the Standards on Auditing specified under sub-section (10) of section 143 of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the ICAI and the standards on auditing. The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

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

7. In accordance with the information, explanations and representations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Company for the year ended March 31, 2022, we certify that:

- a. We have reviewed the Management Report attached to the financial statements for year ended March 31, 2022, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
- b. Based on management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration as stipulated by the IRDAI;
- c. We have verified the cash balances, to the extent considered necessary and securities relating to the Company's loans and investments as at March 31, 2022, by actual inspection or on the basis of certificates / confirmations received from the Custodian and/ or Depository Participants appointed by the Company, as the case may be. As at March 31, 2022, the Company does not have loans;
- d. The Company is not a trustee of any trust; and
- e. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds.

This certificate has been issued to comply with paragraph 3 and 4 of Schedule C of IRDA Financial Statements Regulations and is not intended to be used or distributed for any other purpose.

Date: May 6, 2022

Date: May 6, 2022





# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

AUDITED BALANCE SHEET AS ON 31ST MARCH, 2022

(₹ '000)

Particulars	Schedule	As on 31.03.2022	As on 31.03.2021
<b>Sources of Funds</b>			
Share Capital	5	29,60,413	26,47,288
Share Application Money		-	-
Reserves and Surplus	6	14,60,881	9,23,661
Fair Value Change Account - Shareholders		46	404
Fair Value Change Account - Policyholders		139	848
Borrowings	7	-	-
<b>Total</b>		<b>44,21,479</b>	<b>35,72,201</b>
<b>Application of Funds</b>			
Investments - Shareholders	8	20,22,204	22,40,726
Investments - Policyholders	8A	61,23,938	47,07,582
Loans	9	-	-
Fixed Assets	10		
Gross Block		1,86,878	1,50,845
Less: Accumulated Depreciation		1,03,706	79,493
Net Block		83,172	71,352
Deferred Tax Asset (Net)		63,852	62,826
Current Assets			
Cash and Bank Balances	11	94,886	42,335
Advances and Other Assets	12	4,89,820	5,82,179
<b>Sub-Total (A)</b>		<b>5,84,706</b>	<b>6,24,513</b>
Current Liabilities	13	48,07,191	38,59,567
Provisions	14	20,36,291	16,98,458
<b>Sub-Total (B)</b>		<b>68,43,482</b>	<b>55,58,025</b>
<b>Net Current Assets (C = A - B)</b>		<b>(62,58,776)</b>	<b>(49,33,511)</b>
Miscellaneous Expenditure	15	-	-
(to the extent not written off or adjusted)			
Debit balance in Profit and Loss Account		23,87,087	14,23,227
<b>Total</b>		<b>44,21,479</b>	<b>35,72,201</b>
Significant Accounting Policies & Notes to Accounts	16		

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

As per our Report of even date attached.

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

**PARTH  
PRAKASH  
PATEL**

CA. Parth P Patel  
Partner  
Membership No. 172670

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

**KAPADIA  
NEMISH  
BHARAT**

CA. Nemish Kapadia  
Partner  
Membership No. 111929

For and on behalf of the Board of Directors

**Akshay  
Rajan  
Raheja**

Akshay Raheja  
Chairman  
DIN. 00288397

**PANKAJ  
ARORA**

Pankaj Arora  
Managing Director &  
Chief Executive Officer  
DIN. 08327428

**SHAH JIGAR  
ASHWIN**

Jigar Shah  
Company Secretary  
ACS No. A34571

**Vijay  
aggarwal**

Vijay Aggarwal  
Director  
DIN. 00515412

**AMEETA  
AZIZ PARPIA**

Ameeta Parpia  
Independent Director  
DIN. 02654277

**Chandraprakash  
Jain**

Chandraprakash Jain  
Chief Financial Officer  
Membership No. 404957

Place: Mumbai  
Date: May 06, 2022

**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**

IRDA Registration No. 141 dated 11th December, 2008

**AUDITED RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2022**

(₹ '000)

Particulars	Schedule	Year ended 31.03.2022	Year ended 31.03.2021
<b>Cash flows from operating activities</b>			
Premium received from policyholders, including advance receipts		47,18,558	29,79,234
Payments to the Re-insurers, net of commissions and claims		(5,54,398)	(4,17,545)
Payments to Co-insurers, net of claims recovery		1,08,979	98,509
Payments of claims		(19,93,157)	(6,40,757)
Payment of commission & brokerage		(5,17,178)	(2,94,592)
Payment of Other Operating Expenses		(15,97,741)	(12,19,906)
Deposits, advances and staff loans		(6,435)	(2,524)
GST/Service Tax paid		(1,65,975)	(1,92,010)
Income taxes paid (Net)		4,525	13,784
<b>Net Cash Flow from Operating Activities (A)</b>		<b>(2,822)</b>	<b>3,24,194</b>
<b>Cash flows from investing activities</b>			
Purchase of investments		(66,61,556)	(59,16,094)
Sale of investments		53,55,196	35,55,299
Purchase of fixed Assets		(38,534)	(42,061)
Sale of Fixed Assets		-	-
Rent/Interest/Dividends received		5,49,923	4,44,014
<b>Net Cash used in Investing Activities (B)</b>		<b>(7,94,971)</b>	<b>(19,58,841)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of share capital and share premium		8,50,345	15,00,950
<b>Net Cash Flow from Financing Activities (C)</b>		<b>8,50,345</b>	<b>15,00,950</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash equivalents (A+B+C)</b>		<b>52,551</b>	<b>(1,33,697)</b>
Cash and cash equivalents at the beginning of year		<b>42,335</b>	<b>1,76,031</b>
Cash and cash equivalents at the end of year		<b>94,886</b>	<b>42,335</b>
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	<b>16</b>		

**Notes**

1. The above Receipts and Payments Account has been prepared as prescribed by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 under the "Direct Method" laid out in Accounting Standard - 3 on Cash Flow Statements as specified under the Companies Act, 2013.

2. Cash and cash equivalents comprise of the following Balance Sheet amounts:  
Balance as per Schedule 11

Cash (including cheques on hand, stamps on hand)  
Bank Balances  
Total

171	89
94,715	42,246
<b>94,886</b>	<b>42,335</b>

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

As per our Report of even date attached.

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

**PARTH  
PRAKASH  
PATEL**

Digitally signed by PRAKASH PATEL  
DN: cn=PRAKASH PATEL, o=SHAH GUPTA & CO.,  
ou=CHARTERED ACCOUNTANTS, email=PRAKASH.PATEL@SHAHGUPTA.CO, c=IN  
Date: 2022.05.06 14:38:36 +05'30'

CA. Parth P Patel  
Partner  
Membership No. 172670

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

**KAPADIA  
NEMISH BHARAT**

Digitally signed by NEMISH BHARAT KAPADIA  
DN: cn=NEMISH BHARAT KAPADIA, o=SHAH GUPTA & CO.,  
ou=CHARTERED ACCOUNTANTS, email=NEMISH.BHARAT@SHAHGUPTA.CO, c=IN  
Date: 2022.05.06 14:38:36 +05'30'

CA. Nemish Kapadia  
Partner  
Membership No. 111929

For and on behalf of the Board of Directors

**Akshay  
Rajan  
Raheja**

Digitally signed by Akshay Rajan Raheja  
Date: 2022.05.06  
16:20:39 +05'30'

**Akshay Raheja**  
Director  
DIN. 00288397

**Vijay  
aggarwal**

Digitally signed by Vijay aggarwal  
Date: 2022.05.06  
15:07:37 +05'30'

**Vijay Aggarwal**  
Director  
DIN. 00515412

**PANKAJ  
ARORA**

Digitally signed by PANKAJ ARORA  
Date: 2022.05.06  
14:31:50 +05'30'

**Pankaj Arora**  
Managing Director & CEO  
DIN. 08327428

**AMEETA  
AZIZ PARPIA**

Digitally signed by AMEETA AZIZ PARPIA  
Date: 2022.05.06  
14:38:36 +05'30'

**Ameeta Parpia**  
Independent Director  
DIN. 02654277

**SHAH JIGAR  
ASHWIN**

Digitally signed by SHAH JIGAR ASHWIN  
Date: 2022.05.06  
14:38:12 +05'30'

**Jigar Shah**  
Company Secretary  
ACS No. A34571

**Chandraprakash Jain**

Digitally signed by Chandraprakash Jain  
Date: 2022.05.06 14:29:12  
+05'30'

**Chandraprakash Jain**  
Chief Financial Officer  
Membership No. 404957

Mumbai,  
Date: May 06, 2022



## RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

## AUDITED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Particulars	Schedule	For the year ended 31.03.2022	For the year ended 31.03.2021
1. Operating Profit / (Loss) transferred from Revenue Account			
a. Fire Insurance		(43,136)	(25,872)
b. Marine Insurance		494	971
c. Miscellaneous Insurance		(4,04,197)	(4,88,732)
			(5,13,633)
2. Income from Investments			
a) Interest, Dividend & Rent – Gross		1,17,192	1,19,848
b) Profit on sale/redemption of investments		1,073	9,700
Less: loss on sale of investments		-	-
Profit / (Loss) on Sale of Assets		1,18,265	1,29,548
3. Other Income		2,542	3,794
TOTAL (A)		<u>(3,26,032)</u>	<u>(3,80,291)</u>
4. Provisions (other than taxation)			
a) For doubtful debts		698	-
b) Others		-	698
5. Other Expenses			
a) Expenditure other than those related to Insurance Business	4A	42,847	39,320
b) Bad debts written off		-	-
c) CSR Expenditure		-	-
d) Contribution to Policyholder fund toward excess EOM		5,95,309	6,38,156
			4,23,643
TOTAL (B)		<u>6,38,156</u>	<u>4,62,963</u>
Profit/ (Loss) Before Tax		(9,64,886)	(8,43,254)
Provision for Taxation			
Current Tax/MAT payable		-	-
Tax adjustments for earlier years		-	(3,883)
(Refer Note 3.2.8 of Schedule 16)			
MAT Credit Entitlement		-	-
Excess provision written back		-	-
Deferred Tax (Income)/ Expense		(1,026)	(1,299)
(Refer Note 3.2.8 of Schedule 16)			
		(1,026)	(5,176)
Net Profit/ (Loss) After Tax		<u>(9,63,860)</u>	<u>(8,38,078)</u>
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		(14,23,227)	(5,85,149)
Balance carried forward to Balance Sheet		<u>(23,87,087)</u>	<u>(14,23,227)</u>
Basic & Diluted Earning per Share (Face value per share Rs.10) (Refer Note 3.2.7 of Schedule 16)		(3.50)	(3.57)
Significant Accounting Policies & Notes to Accounts	16		

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

As per our Report of even date attached.

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

**PARTH  
PRAKASH  
PATEL**

CA. Parth P Patel  
Partner  
Membership No. 172670

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

**KAPADIA  
NEMISH  
BHARAT**

CA. Nemish Kapadia  
Partner  
Membership No. 111929

For and on behalf of the Board of Directors

**Akshay  
Rajan  
Raheja**

Digitally signed  
by Akshay Rajan  
Raheja  
Date: 2022.05.06  
16:21:11 +05'30'

Akshay Raheja  
Chairman  
DIN. 00288397

**Vijay  
aggarwal**

Digitally signed by  
Vijay aggarwal  
Date: 2022.05.06  
15:08:01 +05'30'

Vijay Aggarwal  
Director  
DIN. 00515412

**PANKAJ  
ARORA**

Digitally signed by  
PANKAJ ARORA  
Date: 2022.05.06  
14:32:10 +05'30'

Pankaj Arora  
Managing Director &  
Chief Executive Officer  
DIN. 08327428

**SHAH JIGAR  
ASHWIN**

Digitally signed by  
SHAH JIGAR ASHWIN  
Date: 2022.05.06  
14:39:27 +05'30'

Jigar Shah  
Company Secretary  
ACS No. A34571

**AMEETA  
AZIZ PARPIA**

Digitally signed by  
AMEETA AZIZ PARPIA  
Date: 2022.05.06  
14:39:02 +05'30'

Ameeta Parpia  
Independent Director  
DIN. 02654277

**Chandrapra  
kash Jain**

Digitally signed by Chandrapra  
kash Jain  
Date: 2022.05.06 14:39:29 +05'30'

Chandraprakash Jain  
Chief Financial Officer  
Membership No. 404957

Place: Mumbai  
Date: May 06, 2022





# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

## AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Particulars	Schedule	For the year ended 31.03.2022				For the year ended 31.03.2021			
		Fire	Marine	Miscellaneous	Total	Fire	Marine	Miscellaneous	Total
Premiums earned (Net)	1	27,466	130	29,42,829	29,70,426	30,498	2,104	17,96,415	18,29,017
Profit / Loss on sale/redemption of investments		23	0	3,226	3,250	118	2	20,499	20,620
Others - Foreign Exchange Gain / (Loss)		-	-	(59)	(59)	-	-	(19)	(19)
Others - Investment / Other Income from Terrorism Pool		1,829	-	257	2,086	1,189	-	494	1,623
Interest, Dividend & Rent - Gross		2,479	38	3,52,338	3,54,854	1,454	31	2,53,015	2,54,500
Contribution from Shareholder fund toward excess EOM		36,818	38	5,58,453	5,95,309	28,653	541	3,94,449	4,23,643
<b>TOTAL (A)</b>		<b>68,615</b>	<b>206</b>	<b>38,57,044</b>	<b>39,25,866</b>	<b>61,912</b>	<b>2,678</b>	<b>24,64,793</b>	<b>25,29,384</b>
Claims Incurred (Net)	2	25,493	(319)	23,87,034	24,12,208	9,738	511	15,80,683	15,90,932
Commission (Net)	3	(1,149)	(20)	4,48,180	4,47,011	4,582	276	3,29,719	3,34,577
Operating Expenses related to Insurance Business	4	87,407	51	14,26,027	15,13,485	73,464	920	10,43,124	11,17,508
Premium Deficiency Reserve (Refer Note 3.1.4 of Schedule 15)		-	-	-	-	-	-	-	-
<b>TOTAL (B)</b>		<b>1,11,751</b>	<b>(288)</b>	<b>42,61,241</b>	<b>43,72,704</b>	<b>87,784</b>	<b>1,707</b>	<b>29,53,526</b>	<b>30,43,017</b>
<b>Operating Profit/(Loss) from Fire/ Marine/ Miscellaneous Business C = (A - B)</b>		<b>(43,136)</b>	<b>494</b>	<b>(4,04,197)</b>	<b>(4,46,838)</b>	<b>(25,872)</b>	<b>971</b>	<b>(4,88,732)</b>	<b>(5,13,632)</b>
<b>Appropriations</b>									
Transfer to Shareholder's Account		(43,136)	494	(4,04,197)	(4,46,838)	(25,872)	971	(4,88,732)	(5,13,632)
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-	-
<b>TOTAL (C)</b>		<b>(43,136)</b>	<b>494</b>	<b>(4,04,197)</b>	<b>(4,46,838)</b>	<b>(25,872)</b>	<b>971</b>	<b>(4,88,732)</b>	<b>(5,13,632)</b>

### Significant Accounting Policies & Notes to Accounts 16

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

As per our Report of even date attached.

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

**PARTH  
PRAKASH  
PATEL**

Digitally signed by PARTH PRAKASH PATEL  
DN: cn=PARTH PRAKASH PATEL, o=SHAH GUPTA & CO., ou=CHARTERED ACCOUNTANTS, email=ppatel@shahgupta.co.in, c=IN  
Date: 2022.05.06 19:09:12 +05'30'

CA. Parth P Patel  
Partner  
Membership No. 172670

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

**KAPADIA  
NEMISH  
BHARAT**

Digitally signed by NEMISH BHARAT KAPADIA  
DN: cn=NEMISH BHARAT KAPADIA, o=SUDIT K. PAREKH & CO. LLP, ou=CHARTERED ACCOUNTANTS, email=nemish@skparekh.com, c=IN  
Date: 2022.05.06 19:09:12 +05'30'

CA. Nemish Kapadia  
Partner  
Membership No. 111929

For and on behalf of the Board of Directors

**Akshay  
Rajan  
Raheja**

Digitally signed by Akshay Rajan Raheja  
Date: 2022.05.06  
16:22:09 +05'30'

**Akshay Raheja**  
Chairman  
DIN. 00288397

**Vijay  
aggarwal**

Digitally signed by Vijay aggarwal  
Date: 2022.05.06  
15:08:37 +05'30'

**Vijay Aggarwal**  
Director  
DIN. 00515412

**PANKAJ  
ARORA**

Digitally signed by PANKAJ ARORA  
Date: 2022.05.06 16:23:05 +05'30'

**Pankaj Arora**  
Managing Director &  
Chief Executive Officer  
DIN. 08327428

**SHAH JIGAR  
ASHWIN**

Digitally signed by SHAH JIGAR ASHWIN  
Date: 2022.05.06  
14:40:20 +05'30'

**Jigar Shah**  
Company Secretary  
ACS No.A34571

**AMEETA  
AZIZ PARPIA**

Digitally signed by AMEETA AZIZ PARPIA  
Date: 2022.05.06 14:39:58 +05'30'

**Ameeta Parpia**  
Independent Director  
DIN. 02654277

**Chandraprakash  
Jain**

Digitally signed by Chandraprakash Jain  
Date: 2022.05.06  
14:29:49 +05'30'

**Chandraprakash Jain**  
Chief Financial Officer  
Membership No. 404957

Place: Mumbai  
Date: May 06, 2022



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

## AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### Schedule- 1

#### Premium Earned (Net)

(₹ '000)

Particulars	Year	Premium from direct business written	Premium on re-insurance accepted	Premium on re-insurance ceded	Net Premium (3+4-5)	Adjustment for change in reserve for unexpired risks	Net Premium Earned (6-7)
1	2	3	4	5	6	7	8
Fire	2021-22	1,50,800	74,197	2,11,747	13,251	(14,216)	27,466
	2020-21	1,17,876	76,902	1,47,769	47,009	16,511	30,498
Marine Cargo	2021-22	137	-	35	103	(27)	130
	2020-21	2,464	-	358	2,106	3	2,104
Marine Hull	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Marine Total	2021-22	137	-	35	103	(27)	130
	2020-21	2,464	-	358	2,106	3	2,104
Motor (OD)	2021-22	19,36,032	-	1,37,596	17,98,436	2,19,796	15,78,640
	2020-21	12,28,760	-	80,800	11,47,961	6,43,751	5,04,209
Motor (TP)	2021-22	8,37,547	-	58,975	7,78,571	90,786	6,87,785
	2020-21	5,10,029	-	36,890	4,73,138	(2,55,666)	7,28,804
Employer's Liability	2021-22	25,662	-	6,467	19,196	(840)	20,035
	2020-21	31,437	-	7,926	23,512	3,884	19,628
Public Liability	2021-22	44,541	2,233	12,433	34,342	(10,750)	45,092
	2020-21	39,446	12,998	13,499	38,944	(6,167)	45,111
Other Liability	2021-22	6,68,524	72,280	1,86,758	5,54,046	53,280	5,00,766
	2020-21	5,26,468	1,48,954	1,89,672	4,85,751	1,11,007	3,74,743
Engineering	2021-22	40,748	19,625	48,173	12,200	3,182	9,018
	2020-21	12,073	547	9,837	2,782	464	2,318
Aviation	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Personal Accident	2021-22	2,991	-	2,432	559	(4,653)	5,213
	2020-21	35,588	-	28,051	7,537	4,636	2,901
Health	2021-22	47,595	-	2,380	45,215	(49,491)	94,706
	2020-21	1,92,031	-	9,602	1,82,430	66,828	1,15,602
Other Misc.	2021-22	3,674	-	3,002	671	(903)	1,574
	2020-21	25,980	-	22,752	3,227	130	3,097
Misc Total	2021-22	36,07,314	94,138	4,58,216	32,43,236	3,00,407	29,42,829
	2020-21	26,01,812	1,62,499	3,99,029	23,65,282	5,68,867	17,96,415
Total	2021-22	37,58,251	1,68,335	6,69,998	32,56,590	2,86,164	29,70,425
	2020-21	27,22,152	2,39,401	5,47,156	24,14,397	5,85,381	18,29,017



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

## AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Schedule – 2

Claims Incurred (Net)

(₹ '000)

Particulars	Year	Claims Paid from direct business written	Claims Paid on re-insurance accepted	Claims Recovered on re-insurance ceded	Net Claims Paid (3+4-5)	Outstanding Claims at the closing of the Year	Outstanding Claims at the beginning of the Year	Net Claims Incurred (6-7)
1	2	3	4	5	6	7	8	9
Fire	2021-22	30,797	12,661	35,532	7,925	30,681	13,113	25,493
	2020-21	6,949	106	5,214	1,841	13,113	5,216	9,738
Marine Cargo	2021-22	6	-	0	6	354	679	(319)
	2020-21	-	-	-	-	679	168	511
Marine Hull	2021-22	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-
Marine Total	2021-22	6	-	0	6	354	679	(319)
	2020-21	-	-	-	-	679	168	511
Motor (OD)	2021-22	14,30,000	-	71,500	13,58,500	2,87,847	2,09,215	14,37,132
	2020-21	3,85,519	-	19,276	3,66,243	2,09,215	7,804	5,67,653
Motor (TP)	2021-22	1,53,273	-	7,664	1,45,609	28,70,259	23,55,514	6,60,354
	2020-21	81,277	-	4,064	77,213	23,55,514	17,61,113	6,71,614
Employer's Liability	2021-22	13,707	-	685	13,022	26,477	28,667	10,832
	2020-21	3,796	-	190	3,606	28,667	18,241	14,032
Public Liability	2021-22	215	914	38	1,092	58,558	56,420	3,229
	2020-21	6,474	556	332	6,698	56,420	50,692	12,426
Other Liability	2021-22	1,73,285	4,192	1,11,804	65,673	5,61,885	4,71,684	1,55,874
	2020-21	1,06,485	4,579	38,571	72,492	4,71,684	3,43,772	2,00,404
Engineering	2021-22	1,622	5,148	5,087	1,682	10,009	891	10,799
	2020-21	2,407	4	1,840	570	891	870	592
Aviation	2021-22	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-
Personal Accident	2021-22	31,482	5	24,005	7,482	370	1,676	6,175
	2020-21	6,436	13	4,902	1,547	1,676	1,335	1,889
Health	2021-22	1,52,448	-	7,622	1,44,826	18,760	60,311	1,03,275
	2020-21	58,142	-	2,907	55,234	60,311	2,252	1,13,293
Other Misc.	2021-22	319	-	244	76	662	1,374	(636)
	2020-21	5,621	-	4,311	1,311	1,374	3,905	(1,220)
Misc Total	2021-22	19,56,351	10,259	2,28,649	17,37,962	38,34,827	31,85,752	23,87,034
	2020-21	6,56,156	5,151	76,393	5,84,914	31,85,752	21,89,984	15,80,683
Total	2021-22	19,87,154	22,920	2,64,181	17,45,893	38,65,862	31,99,544	24,12,208
	2020-21	6,63,105	5,257	81,607	5,86,755	31,99,544	21,95,368	15,90,932



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

## AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### Schedule – 3

#### Commission (Net)

(₹ '000)

Particulars	Year	Commission paid on direct business	Commission paid on re-insurance accepted	Commission received from re-insurance ceded	Net commission (3+4-5)
1	2	3	4	5	6
Fire	2021-22	18,749	9,412	29,309	(1,149)
	2020-21	13,284	10,474	19,176	4,582
Marine Cargo	2021-22	23	-	43	(20)
	2020-21	294	-	18	276
Marine Hull	2021-22	-	-	-	-
	2020-21	-	-	-	-
Marine Total	2021-22	23	-	43	(20)
	2020-21	294	-	18	276
Motor (OD)	2021-22	3,42,586	-	13,880	3,28,706
	2020-21	1,98,553	-	9,216	1,89,338
Motor (TP)	2021-22	14,544	-	14,092	451
	2020-21	9,096	-	1,274	7,822
Employer's Liability	2021-22	3,377	-	285	3,092
	2020-21	4,054	-	236	3,819
Public Liability	2021-22	6,477	487	547	6,417
	2020-21	6,025	2,823	519	8,330
Other Liability	2021-22	1,02,103	13,661	13,281	1,02,483
	2020-21	82,959	26,574	10,492	99,042
Engineering	2021-22	6,513	2,369	5,932	2,950
	2020-21	1,421	22	1,423	20
Aviation	2021-22	-	-	-	-
	2020-21	-	-	-	-
Personal Accident	2021-22	152	-	371	(219)
	2020-21	4,676	-	4,075	601
Health	2021-22	4,936	-	285	4,651
	2020-21	22,031	-	1,440	20,591
Other Misc.	2021-22	589	-	940	(351)
	2020-21	4,012	-	3,854	158
Misc Total	2021-22	4,81,277	16,517	49,613	4,48,180
	2020-21	3,32,828	29,419	32,528	3,29,719
Total	2021-22	5,00,049	25,929	78,965	4,47,011
	2020-21	3,46,406	39,893	51,722	3,34,577



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

## AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### Schedule – 3A

#### Commission Paid - Direct

(₹ '000)

Particulars	Year	Agents	Brokers	Corporate Agency	Referral	Others	Total (3+4+5+6+7)
1	2	3	4	5	6	7	8
Fire	2021-22	199	18,550	-	-	-	18,749
	2020-21	314	12,874	-	-	96	13,284
Marine Cargo	2021-22	-	23	-	-	-	23
	2020-21	-	294	-	-	-	294
Marine Hull	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Marine Total	2021-22	-	23	-	-	-	23
	2020-21	-	294	-	-	-	294
Motor (OD)	2021-22	28,848	3,10,920	-	-	2,818	3,42,586
	2020-21	3,667	1,53,698	-	-	41,188	1,98,553
Motor (TP)	2021-22	3,655	10,688	-	-	201	14,544
	2020-21	1,170	5,444	-	-	2,481	9,096
Employer's Liability	2021-22	2	3,372	-	-	2	3,377
	2020-21	97	2,728	-	-	1,229	4,054
Public Liability	2021-22	2	6,455	-	-	21	6,477
	2020-21	1	5,978	-	-	46	6,025
Other Liability	2021-22	595	1,01,112	-	-	396	1,02,103
	2020-21	879	81,601	-	-	479	82,959
Engineering	2021-22	-	6,512	-	-	1	6,513
	2020-21	-	1,248	-	-	173	1,421
Aviation	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Personal Accident	2021-22	2	129	-	-	20	152
	2020-21	4,272	261	-	-	179	4,712
Health	2021-22	31	4,825	-	-	80	4,936
	2020-21	20,100	705	-	-	1,191	21,995
Other Misc.	2021-22	5	584	-	-	-	589
	2020-21	(3)	4,013	-	-	2	4,012
Misc Total	2021-22	33,140	4,44,597	-	-	3,539	4,81,277
	2020-21	30,183	2,55,677	-	-	46,968	3,32,828
Total	2021-22	33,339	4,63,170	-	-	3,539	5,00,049
	2020-21	30,497	2,68,845	-	-	47,064	3,46,406



**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**

IRDA Registration No. 141 dated 11th December, 2008

(₹ '000)

AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022									
Schedule - 4	2021-22					2020-21			
	Fire	Marine	Miscellaneous	Total		Fire	Marine	Miscellaneous	Total
<b>Expenditure related to Insurance Business</b>									
Employees' remuneration & welfare benefits (Refer Note 3.1.9 of Schedule 16)	29,937	18	4,92,492	5,22,447		28,264	358	4,01,123	4,29,745
Travel, conveyance and vehicle running expenses	293	0	4,828	5,121		353	4	5,004	5,362
Training Expenses	3,564	2	58,625	62,191		3,390	43	48,109	51,542
Rents, rates & taxes	1,407	1	23,355	24,763		1,632	21	23,160	24,812
Repairs	4,543	3	74,735	79,281		2,594	33	36,813	39,440
Printing & Stationery	48	0	3,831	3,879		228	3	3,229	3,460
Communication Expenses	389	0	9,803	10,193		962	12	13,652	14,626
Legal & professional charges	4,567	3	81,446	86,016		4,080	52	63,938	68,070
Auditor's fees, expenses etc.									
a) As auditor	79	0	1,296	1,375		82	1	1,167	1,250
b) As adviser or in any other capacity, in respect of									
i) Taxation matters	12	0	203	215		12	0	177	190
ii) Insurance matters	10	0	160	170		11	0	149	160
iii) Management Services and	-	-	-	-		-	-	-	-
c) in any other capacity	9	0	149	159		9	0	132	141
Advertisement and Publicity	36,642	22	6,02,802	6,39,466		28,104	356	3,98,860	4,27,320
Interest and Bank Charges	934	1	15,364	16,299		603	8	8,551	9,161
Others									
a) Office maintenance expenses	502	0	8,258	8,760		563	7	7,991	8,561
b) Subscriptions and membership fees	563	0	9,266	9,830		314	4	4,458	4,776
c) Miscellaneous expenses	72	0	850	922		17	0	239	256
d) Entertainment Expenses	79	0	1,296	1,375		18	0	257	275
e) Conference & Seminar	252	0	4,139	4,390		23	0	322	344
f) Interest & Penalties	4	0	62	66		94	1	1,329	1,424
g) Co-Insurance Admin Charges (Net)	1,601	0	979	2,580		674	0	3,552	4,226
h) Motor Solatium Fund	-	-	838	838		-	-	510	510
Depreciation	1,562	1	25,693	27,256		1,347	17	19,120	20,484
GST expenditure	338	0	5,557	5,895		90	1	1,281	1,373
<b>TOTAL</b>	<b>87,407</b>	<b>51</b>	<b>14,26,027</b>	<b>15,13,485</b>		<b>73,464</b>	<b>920</b>	<b>10,43,124</b>	<b>11,17,508</b>

Miscellaneous	For the year ended 31.03.2022											For the year ended 31.03.2021										
	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	2,57,986	1,11,438	3,41,14	6,22,44	98,567	8,003	-	398	6,333	489	4,32,432	1,78,303	74,009	4,562	7,610	98,009	1,831	-	5,164	27,865	3,78	4,01,123
Travel, conveyance and vehicle running expenses	2,325	1,092	33	61	866	79	-	4	62	5	4,58	2,223	923	51	95	1,223	23	-	64	348	47	5,004
Training Expenses	30,664	13,865	406	743	11,733	956	-	47	754	58	58,625	21,385	8,878	547	913	11,755	220	-	639	3,942	452	48,109
Rents, rates & taxes	12,301	4,834	162	293	4,834	378	-	19	302	24	23,355	10,295	4,273	263	439	5,659	106	-	298	1,609	218	23,160
Repairs	39,090	16,911	518	944	14,957	1,219	-	60	961	74	74,735	16,364	6,792	419	698	8,995	168	-	474	2,557	346	36,819
Printing & Stationery	2,388	239	5	10	159	13	-	1	866	1	9,831	1,435	596	37	61	789	15	-	42	224	30	3,228
Communication Expenses	5,113	1,516	44	81	1,282	105	-	5	1,051	6	8,805	6,008	2,519	155	259	3,336	62	-	176	948	128	13,652
Legal & professional Charges	42,425	18,054	501	913	14,460	1,178	-	58	3,745	72	81,448	30,001	11,403	659	1,099	14,150	264	-	746	4,023	544	63,938
Auditor's fees, expenses etc.																						
a) As auditor	678	298	9	16	259	21	-	1	17	1	1,296	519	215	13	22	285	5	-	15	81	11	1,167
b) As adviser or in any other capacity, in respect of																						
i) Taxation matters	106	46	1	3	41	3	-	0	3	0	205	79	33	2	3	43	1	-	2	23	2	177
ii) Insurance matters	84	96	1	2	32	3	-	0	2	0	160	46	28	2	3	36	1	-	2	10	1	249
iii) Management Services and																						
c) in any other capacity	78	34	-	-	30	2	-	-	-	-	0	0	0	0	0	0	0	-	-	0	0	0
Advertisement and Publicity	3,15,293	1,36,995	4,179	7,617	1,20,644	9,832	-	487	7,751	398	6,02,802	1,77,297	75,592	4,596	7,567	97,456	1,821	-	5,135	27,708	3,749	3,98,860
Interest and Bank Charges	8,096	3,476	-	194	3,075	251	-	22	198	15	15,364	3,801	1,578	-	162	2,068	39	-	110	594	80	8,551
Others																						
a) Office maintenance expenses	4,319	1,869	57	104	1,653	135	-	7	106	8	8,258	3,552	1,474	91	152	1,953	36	-	103	955	75	7,991
b) Subscriptions and membership fees	4,847	2,097	64	117	1,855	151	-	7	119	9	9,266	1,962	823	51	85	1,088	20	-	57	310	42	4,459
c) Miscellaneous expenses	587	167	8	15	236	19	-	1	115	1	850	106	44	3	5	58	1	-	3	17	2	239
d) Entertainment Expenses	678	298	9	16	259	21	-	1	17	1	1,296	114	47	3	5	63	1	-	5	18	2	257
e) Conference & Seminar	2,165	996	29	52	828	68	-	3	53	4	4,139	143	59	4	6	79	1	-	4	22	3	322
f) Interest & Penalties	32	14	0	1	12	1	-	0	1	0	62	581	245	15	25	325	6	-	17	92	12	1,329
g) Co-Insurance Admin Charges (Net)	-	-	(0)	10	573	375	-	-	15	6	979	806	-	-	103	-	599	877	-	349	1,755	(381)
h) Motor Solutium Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	13,439	5,514	278	325	5,142	419	-	21	330	25	25,693	8,499	3,598	217	363	4,672	87	-	246	1,328	180	19,120
GST expenditure	2,956	1,257	39	70	1,112	91	-	4	71	6	5,591	578	236	15	24	913	6	-	16	89	12	1,281
TOTAL	7,45,900	3,21,428	9,748	17,811	2,82,509	23,353	-	1,136	22,414	1,405	14,426,027	4,64,259	1,93,877	11,852	19,597	2,53,001	5,064	-	13,647	79,316	9,326	10,43,122



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

## AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Schedule - 4A	2021-22	2020-21
<b>Expenditure other than those related to Insurance Business</b>		
Employees' remuneration & welfare benefits (Refer Note 3.1.9 of Schedule 16)	40,326	35,295
Travel, conveyance and vehicle running expenses	-	-
Training Expenses	-	-
Rents, rates & taxes	2,500	4,025
Repairs	-	-
Printing & Stationery	-	-
Communication Expenses	-	-
Legal & professional charges	-	-
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	22	-
Others		
a) Office maintenance expenses	-	-
b) Subscriptions and membership fees	-	-
c) Miscellaneous expenses	-	-
d) Entertainment Expenses	-	-
e) Conference & Seminar	-	-
f) Interest & Penalties	-	-
g) Co-Insurance Admin Charges (Net)	-	-
h) Motor Solatium Fund	-	-
Depreciation	-	-
GST expenditure	-	-
<b>TOTAL</b>	<b>42,847</b>	<b>39,320</b>





# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Schedule - 5	As at 31.03.2022	As at 31.03.2021
<b>Share Capital</b>		
<b>Authorised Capital</b>		
29,80,00,000( Previous year 26,50,00,000) Equity Shares of Rs10 each	29,80,000	26,50,000
<b>Issued Capital</b>		
29,60,41,316 ( Previous year 26,47,28,840 ) Equity Shares of Rs.10 each fully paid up	29,60,413	26,47,288
<b>Subscribed Capital</b>		
29,60,41,316 ( Previous year 26,47,28,840 ) Equity Shares of Rs.10 each fully paid up	29,60,413	26,47,288
<b>Called up Capital</b>		
29,60,41,316 ( Previous year 26,47,28,840 ) Equity Shares of Rs.10 each fully paid up	29,60,413	26,47,288
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	-	-
<b>Total</b>	<b>29,60,413</b>	<b>26,47,288</b>

Schedule - 5A	As at 31.03.2022		As at 31.03.2021	
<b>Pattern of Share Holding (As certified by the Management)</b>				
<b>Shareholder</b>	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>
<b>Promoters</b>				
-Indian	15,09,81,072	51%	13,50,11,709	51%
-Foreign	14,50,60,244	49%	12,97,17,131	49%
<b>Others</b>			-	
<b>Total</b>	<b>29,60,41,316</b>	<b>100%</b>	<b>26,47,28,840</b>	<b>100%</b>

Note:

Of the above 15,09,81,072 (Previous year 13,50,11,709) shares are held by the holding company Prism Johnson Limited (formerly known as Prism Cement Ltd and name changed effective 18th April,2018)



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Schedule - 6	As at 31.03.2022		As at 31.03.2021
Reserves and Surplus			
Capital Reserve		-	-
Capital Redemption Reserve		-	-
Share Premium		14,60,881	9,23,661
General Reserve		-	-
Less: Debit balance in Profit & Loss Account		-	-
Less: Amount utilized for Buy-back		-	-
Catastrophe Reserve		-	-
Other Reserves		-	-
Balance of Profit and Loss Account		-	-
Total		14,60,881	9,23,661

(₹ '000)

Schedule - 7	As at 31.03.2022		As at 31.03.2021
Borrowings			
Debentures /Bonds		-	-
Banks		-	-
Financial Institutions		-	-
Others		-	-
Total		-	-



**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**

IRDA Registration No. 141 dated 11th December, 2008

AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Schedule - 8	As at 31.03.2022	As at 31.03.2021
<b>Investments - Shareholders</b>		
<b>Long Term Investments</b>		
Government securities and Government guaranteed bonds including Treasury Bills	7,29,949	8,33,130
Other Approved Securities	-	-
Other Investments	-	-
a) Shares	-	-
aa) Equity	-	-
bb) Preference	-	-
b) Mutual Funds	-	-
c) Derivative Instruments	-	-
d) Debentures/ Bonds	5,41,875	5,27,896
e) Other Securities	-	-
i) Fixed Deposits	827	10,714
ii) Certificate of Deposits	-	-
f) Subsidiaries	-	-
g) Investment Properties - Real Estate	-	-
Investments in Infrastructure and Social Sector	5,15,441	2,04,272
Other than Approved Investments	-	99,981
Less - Provision for diminution in the value of investment	-	(99,981)
<b>Total (A)</b>	<b>17,88,092</b>	<b>15,76,012</b>
<b>Short Term Investments</b>		
Government securities and Government guaranteed bonds including Treasury Bills	-	1,28,433
Other Approved Securities	-	-
Other Investments	-	-
a) Shares	-	-
aa) Equity	-	-
bb) Preference	-	-
b) Mutual Funds	3,481	37,830
c) Derivative Instruments	-	-
d) Debentures/ Bonds	62,208	1,44,764
e) Other Securities	-	-
i) Fixed Deposits	1,43,343	1,61,138
ii) Certificate of Deposits	-	-
f) Subsidiaries	-	-
g) Investment Properties - Real Estate	-	-
Investments in Infrastructure and Social Sector	25,080	1,92,549
Other than Approved Investments	99,967	1,00,000
Less - Provision for diminution in the value of investment	- 99,967	(1,00,000)
<b>Total (B)</b>	<b>2,34,112</b>	<b>6,64,714</b>
<b>Total (A+B)</b>	<b>20,22,204</b>	<b>22,40,726</b>

**Notes:**

- Aggregate book value of investments other than listed equity shares and Mutual Fund is Rs.20,18,723 thousands. (Previous Year Rs.22,02,896 thousands)
- Aggregate market value of investments other than listed equity shares and Mutual Fund is Rs. 19,98,910 thousands. (Previous Year Rs. 22,21,793 thousands)
- Investments of Rs. 2,34,112 thousands (previous Year Rs. 6,64,714 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.
- a) The Company has provided for diminution in value of investment in respect of securities related to IL&FS amounting to Rs.1,99,967 thousand till the year ended 31st March 2020.  
b) During the year, Unsettled Investment receivables pertaining to security issued by Infrastructure Leasing & Financial Services Limited (IL&FS) on maturity has been classified to Schedule -12 Advances & Other Assets along with respective provision amounting to ₹ 1,00,000 thousand.
- The company has segregated the investments separately between policy holders funds and share holders funds on notional basis as per IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated 04th April,2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated 12th January 2017.(Refer Note 2.17 of Schedule 16)



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Schedule - 8A	As at 31.03.2022	As at 31.03.2021
<b>Investments - Policyholders</b>		
<b>Long Term Investments</b>		
Government securities and Government guaranteed bonds including Treasury Bills	22,10,540	17,70,993
Other Approved Securities	-	-
Other Investments	-	-
a) Shares	-	-
aa) Equity	-	-
bb) Preference	-	-
b) Mutual Funds	-	-
c) Derivative Instruments	-	-
d) Debentures/ Bonds	16,40,985	11,22,154
e) Other Securities	-	-
i) Fixed Deposits	2,506	2,086
ii) Certificate of Deposits	-	-
f) Subsidiaries	-	-
g) Investment Properties - Real Estate	-	-
Investments in Infrastructure and Social Sector	15,60,934	4,34,224
Other than Approved Investments	-	-
<b>Total (A)</b>	<b>54,14,965</b>	<b>33,29,456</b>
<b>Short Term Investments</b>		
Government securities and Government guaranteed bonds including Treasury Bills	-	2,73,010
Other Approved Securities	-	-
Other Investments	-	-
a) Shares	-	-
aa) Equity	-	-
bb) Preference	-	-
b) Mutual Funds	10,543	80,415
c) Derivative Instruments	-	-
d) Debentures/ Bonds	1,88,387	3,07,725
e) Other Securities	-	-
i) Fixed Deposits	4,34,093	3,07,672
ii) Certificate of Deposits	-	-
f) Subsidiaries	-	-
g) Investment Properties - Real Estate	-	-
Investments in Infrastructure and Social Sector	75,950	4,09,304
Other than Approved Investments	-	-
<b>Total (B)</b>	<b>7,08,973</b>	<b>13,78,126</b>
<b>Total (A+B)</b>	<b>61,23,938</b>	<b>47,07,582</b>

## Notes:

1. Aggregate book value of investments other than listed equity shares and Mutual Fund is Rs.61,13,395 thousands. (Previous Year Rs.46,27,167 thousands)
2. Aggregate market value of investments other than listed equity shares and Mutual Fund is Rs. 60,53,393 thousands. (Previous Year Rs. 46,41,202 thousands)
3. Investments of Rs. 7,08,973 thousands (previous Year Rs. 13,78,126 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.
4. The company has segregate the investments separately between policy holders funds and share holders funds on notional basis as per IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated 04th April,2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated 12th January 2017. (Refer Note 2.17 of Schedule 16)



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Schedule - 9	As at 31.03.2022		As at 31.03.2021
<b>Loans</b>			
<b>Security-wise classification</b>			
Secured			
a) On mortgage of property			
aa) In India		-	-
bb) Outside India		-	-
b) On Shares, Bonds, Government Securities		-	-
c) Others		-	-
Unsecured			-
<b>Total</b>		-	-
<b>Borrower-wise classification</b>			
a) Central and State Government		-	-
b) Banks and Financial Institutions		-	-
c) Subsidiaries		-	-
d) Industrial Undertakings		-	-
e) Others		-	-
<b>Total</b>		-	-
<b>Performance wise classification</b>			
a) Loans classified as standard			
aa) In India		-	-
bb) Outside India		-	-
b) Non-performing loans less provisions			
aa) In India		-	-
bb) Outside India		-	-
<b>Total</b>		-	-
<b>Maturity wise classification</b>			
a) Short Term		-	-
b) Long Term		-	-
<b>Total</b>		-	-

(₹ '000)

Schedule - 11	As at 31.03.2022		As at 31.03.2021
<b>Cash and Bank Balances</b>			
Cash (including cheques, drafts and stamps)		171	89
<b>Bank Balances</b>			
a) Deposit Accounts			
aa) Short Term (due with in 12 months)		-	-
bb) Others		-	-
b) Current Accounts		94,715	42,246
c) Others			
<b>Money at Call and Short Notice</b>			
a) with Banks		-	-
b) with other Institutions		-	-
Others			
<b>Total</b>		94,886	42,335
Balances with non scheduled banks included in above		-	-

**SCHEDULE 10 : FIXED ASSETS**
**AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 1-Apr-21	Additions	Deductions/ Adjustments	As at 31-Mar-22	Up to 1-Apr-21	For the year	On Sale/ Adjustments	Up to 31-Mar-22	As at 31-Mar-22	As at 31-Mar-21
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles - Computer Software	61,715	30,760	-	92,474	32,781	16,443	-	49,224	43,250	28,934
Land - Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	11,736	-	-	11,736	3,774	2,534	-	6,308	5,428	7,961
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	4,668	59	-	4,727	729	485	-	1,214	3,513	3,938
Information Technology Equipment	49,929	6,715	10	56,635	38,869	7,055	79	45,845	10,790	11,061
Vehicles	2,674	5,000	2,674	5,000	2,674	467	2,674	467	4,533	-
Office Equipment	1,470	237	358	1,349	665	272	289	648	701	805
Others	-	-	-	-	-	-	-	-	-	-
TOTAL	1,32,192	42,771	3,042	1,71,921	79,492	27,256	3,042	1,03,706	68,215	52,699
WORK - IN - PROGRESS	18,653	23,931	27,627	14,957	-	-	-	-	14,957	18,653
GRAND TOTAL	1,50,845	66,702	30,669	1,86,878	79,492	27,256	3,042	1,03,706	83,172	71,352
Previous Year	1,01,597	80,389	31,141	1,50,845	59,009	20,485	-	79,493	71,352	42,588

(₹ '000)



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)

Schedule - 12	As at 31.03.2022	As at 31.03.2021
<b>Advances and Other Assets</b>		
<b>Advances</b>		
Reserve deposits with ceding companies	-	-
Application Money for investments	-	-
Prepayments	9,474	8,478
Advance to Directors/Officers	-	-
Advance tax paid and taxes deducted at source (Net of provision for taxation)	18,038	5,846
MAT Credit Entitlement	416	416
Others		
a) GST Unutilized Credit	72,611	32,941
b) Advance to employees	16	67
c) Advance to vendors	533	2,996
<b>Total (A)</b>	<b>1,01,088</b>	<b>50,744</b>
<b>Other Assets</b>		
Income accrued on investments	1,85,180	1,52,192
Outstanding Premiums	-	-
Agent's balances	-	-
Foreign agencies balances	-	-
Due from other entities carrying on insurance business (including reinsurers)	1,92,906	3,69,562
Due from Subsidiaries/holding	-	-
Others		
a) Unclaimed amount of Policyholders (Refer Note 3.1.17 of Schedule 16)	498	5
Add : Investment income accruing on unclaimed amount (Refer Note 3.1.17 of Schedule 16)	0	0
b) Unsettled Investment Receivables (Refer Note 3.2.12 of Schedule 16)	1,00,000	-
Less: Provision for diminution in the value of investment (Refer Note 3.2.12 of Schedule 16)	1,00,000	-
c) Other Receivable	1,107	2
Less: Provision for Doubtful Debts	698	-
d) Others - Rental Deposits	9,235	9,250
e) Other Deposits	504	424
<b>Total (B)</b>	<b>3,88,732</b>	<b>5,31,435</b>
<b>Total (A+B)</b>	<b>4,89,820</b>	<b>5,82,179</b>

(₹ '000)

Schedule - 13	As at 31.03.2022	As at 31.03.2021
<b>Current Liabilities</b>		
Agents' Balances	44,462	41,262
Balances due to other insurance companies	1,60,787	2,22,557
Deposits held on re-insurance ceded	-	-
Premium received in Advance	3,74,473	1,20,172
Unallocated Premium	69,076	8,838
Sundry creditors	2,56,887	2,40,701
Due to subsidiaries/holding company	-	-
Claims Outstanding	38,65,860	31,99,543
Due to Officers/Directors	-	-
Dues to Policyholders	-	-
Others		
a) Unclaimed amount of Policyholders (Refer Note 3.1.17 of Schedule 16)	332	1
Add : Investment income accruing on unclaimed amount (Refer Note 3.1.17 of Schedule 16)	0	0
b) GST Liability	7,583	8,499
c) TDS payable	24,575	15,267
d) Other statutory dues	3,156	2,727
<b>Total</b>	<b>48,07,191</b>	<b>38,59,567</b>



# RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED

IRDA Registration No. 141 dated 11th December, 2008

AUDITED SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ '000)		
Schedule - 14	As at 31.03.2022	As at 31.03.2021
Provisions		
Reserve for Unexpired Risk	18,12,197	15,26,032
Reserve for Premium Deficiency	-	-
For taxation (less advance tax paid and taxes deducted at source)	3	3
For Proposed Dividend	-	-
For Dividend distributions tax	-	-
Others - Provision for Employee Benefits (Refer Note 3.1.13 of Schedule 16)	2,24,091	1,72,423
<b>Total</b>	<b>20,36,291</b>	<b>16,98,458</b>

(₹ '000)		
Schedule - 15	As at 31.03.2022	As at 31.03.2021
Miscellaneous Expenditure (To the extent not written off or adjusted)		
Discount allowed in issue of shares/ debentures	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**

Balance Sheet Abstract and Company's general business profile for the year ended 31st March, 2022

I.	Registration Details	State Code : 11						
	Registration No.	U66030MH2007PLC173129						
	Balance Sheet Date	<table><tr><td>Date</td><td>Month</td><td>Year</td></tr><tr><td>31</td><td>3</td><td>2022</td></tr></table>	Date	Month	Year	31	3	2022
Date	Month	Year						
31	3	2022						
II.	Capital raised during the period (Amounts in Rs. thousands)							
	Public Issue	Rights Issue						
	Nil	8,50,345						
	Bonus Issue	Private Placement						
	Nil	Nil						
III.	Position of Mobilisation and Deployment of Funds (Amounts in Rs. thousands)							
	Total Liabilities	Total Assets						
	20,34,392	20,34,389						
	Sources of Funds							
	Paid-up Capital	Reserves & Surplus						
	29,60,413	(9,26,020)						
	Loans	Deferred Tax Liability						
	Nil	Nil						
	Application of Funds							
	Net Fixed Assets	Investments						
	83,172	81,46,142						
	Net Current Assets & Deferred Tax	Miscellaneous Expenditure						
	(61,94,924)	-						
IV.	Performance of Company (Amount in Rs. thousands)							
	Total Revenue	Total Expenditure						
	44,07,583	53,72,471						
	Profit/Loss before Tax (tick appropriate box + for Profit, - for Loss)	Profit/(Loss) after Tax						
	+ (9,64,886)	+ (9,63,860)						
	Earning Per Share in Rs.	Dividend rate %						
	+ (3.50)	Nil						
V.	Generic Name of the principal products/services of company							
	Item Code No. (ITC Code)	-						
	Product description	General Insurance						

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

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

Akshay Rajan Raheja  
Digitally signed by Akshay Rajan Raheja  
Date: 2022.05.06 16:23:40 +05'30'

Akshay Raheja  
Chairman  
DIN. 00288397

PANKAJ ARORA  
Digitally signed by PANKAJ ARORA  
Date: 2022.05.06 14:33:00 +05'30'

Pankaj Arora  
Managing Director &  
Chief Executive Officer  
DIN. 08327428

Vijay aggarwal

Digitally signed by Vijay aggarwal  
Date: 2022.05.06 15:09:12 +05'30'

Vijay Aggarwal  
Director  
DIN. 00515412

SHAH JIGAR ASHWIN  
Digitally signed by SHAH JIGAR ASHWIN  
Date: 2022.05.06 14:40:55 +05'30'

Jigar Shah  
Company Secretary  
ACS No. A34571

AMEETA AZIZ PARPIA

Digitally signed by AMEETA AZIZ PARPIA  
Date: 2022.05.06 14:41:20 +05'30'

Ameeta Parpia  
Independent Director  
DIN. 02654277

Chandrapra kash Jain  
Digitally signed by Chandrapra kash Jain  
Date: 2022.05.06 14:30:17 +05'30'

Chandraprakash Jain  
Chief Financial Officer  
Membership No. 404957

Mumbai,  
Date: May 06, 2022



**RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED**

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

**Schedule 16:**

**Significant Accounting policies and Notes forming part of financial statements for the year ended 31st March 2022:**

**1. Background:**

1. Raheja QBE General Insurance Company Limited ('the Company') was incorporated on 14<sup>th</sup> August 2007 as a Company registered under the Companies Act, 2013. The Company is Joint venture between Prism Johnson Limited (Formerly Prism Cement Limited) (51%) and QBE Holdings (AAP) Pty Ltd (32.92%) and QBE Asia Pacific Holding Limited (16.08%). The Company is registered with Insurance Regulatory and Development Authority of India ('IRDAI') and obtained its license on 11<sup>th</sup> December 2008. The Company holds a valid certificate of registration.

**2. Significant Accounting Policies:**

**2.1 Basis of preparation of Financial Statements:**

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

**2.2 Use of Estimates:**

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

**2.3 Revenue Recognition:**

**Premium Income:**

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

#### Commission on Reinsurance Ceded:

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

Profit commission under reinsurance treaties wherever applicable, is recognized in accordance with treaty arrangements with the re-insurers and combined with commission on re-insurance ceded. 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.

Income earned from investments is allocated to the revenue accounts and the profit and loss account, on the basis of funds available from policyholders and shareholders and are further allocated to the lines of business in proportion of the average of technical reserves for unexpired risks, IBNR, IBNER and outstanding claims of the respective segments.

#### **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.

Premium on excess of loss reinsurance cover is accounted as per the terms of the reinsurance arrangements.

#### **2.5 Reinsurance Accepted:**

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

#### **2.6 Premium Deficiency:**

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

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

#### **2.7 Acquisition Costs:**

Acquisition costs are defined as costs that vary with and are primarily related to the acquisition of new insurance contracts and renewal insurance contracts e.g. commission / remuneration, distribution fee and rewards. These costs are expensed in the period in which they are incurred. The Company accounts for rewards which is paid to an insurance agent or an insurance intermediary over and above the commission or remunerations based on the board approved policy of the company. The rewards are calculated on an overall basis as per IRDAI notification IRDAI/Reg/25/137/2016 dated December 14, 2016.

In accordance with the requirements of the Circular no. IRDA/INT/CIR/Comm/139/08/2018 dated August 29, 2018, Commission, remuneration, reward and distribution fees for Long Term Motor Policies at the prescribed rates is accounted in the year in which the corresponding premium is booked.

**2.8 Premium Received in Advance:**

Premium received in advance represents premium received in respect of policies, where the risk commences subsequent to the balance sheet date for each line of business and also includes premium allocated to subsequent periods in case of long-term motor policies in accordance with IRDAI Circular no. IRDAI/NL/CIR/MOT/137/08/2018 dated August 28, 2018.

**2.9 Reserve for Unexpired Risk:**

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

**2.10 Claims Incurred:**

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

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

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

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

**2.12 Contribution to the Terrorism Pool**

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

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

**2.13 Contribution to Solatium Fund:**

The Company provides for contribution to Solatium Fund at 0.1% of the total Motor Third Party Premium of direct business, as per the requirements of the IRDAI Circular.

#### 2.14 Management Expenses:

The Company has a Board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016. Operating expenses related to the Insurance Business are allocated to specific business segment on the following basis:

- a) Expenses that are directly attributable to a specific segment are allocated on actual to respective segment.
- b) Expenses, not directly attributable to a specific segment are apportioned on the basis of Gross premium of each segment.

#### 2.15 Property Plant and Equipment:

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

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

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

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

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

Software (Intangible Assets) are amortized over 3 Years.

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

#### Impairment of Assets:

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

#### 2.16 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. The gains/losses on account of restatement and settlement are recognised in the revenue account(s) and profit and loss account, as applicable.

#### 2.17 Investments:

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

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

Classification:

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

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

Policyholders' fund shall be the sum of a) Outstanding Claims including IBNR(Incurred but not reported) & IBNER (Incurred but not enough reported), b) Unexpired Risk Reserve (URR), c) Premium deficiency, if any, d) Catastrophe Reserve, if any, and e) Other liabilities net off Other assets. Other liabilities comprise of Premium received in advance, unallocated premium, Balance due to other Insurance Companies, Claims Payable. Other assets comprise of outstanding premium, Due from other entities carrying on Insurance business (including reinsurers), Balance with Terrorism Pool and Balance with Motor third party pool, if any.

Pursuant to the provisions of IRDAI Master Circular on Unclaimed Amounts of Policyholders, dated July 25, 2017, the Company has invested in fixed deposits to manage the Unclaimed Amounts which are classified under Schedule 12 – 'Investments of Unclaimed Amount of Policyholders'. Interest credited to fixed deposits are recognized as liability under Schedule 13 –Unclaimed Amount of Policyholders. Any accretion to the fixed deposits is recognized as liability / asset under Schedule 13-Unclaimed Amount of Policyholders.

Valuation of Debt Securities:

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

Valuation of Mutual Fund:

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

Investment other than those mentioned above are valued at cost.

Fair Value Change Account:

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

Impairment of Investments:

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

## **2.18 Employee Benefits: -**

### **2.18.1 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.

### **2.18.2 Long term employee benefits:**

#### **2.18.2.1 Defined Contribution Plans:**

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

#### **2.18.2.2 Defined Benefit Plans:**

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

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

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

## **2.19 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.

## **2.20 Operating Leases:**

Lease payments for assets taken on operating lease are recognized as an expense in the revenue on a straight-line basis over the lease term.

## **2.21 Earnings Per Share:**

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

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

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

## **2.22 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.

### **Goods and Service tax (GST)**

Goods and Service Tax is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilised credits, if any, are carried forward under 'Others – GST unutilised credit' and disclosed in Schedule 12 for adjustments in subsequent periods and the GST liability, if any, to be remitted to the appropriate authority is disclosed under 'Others – GST Liability' in Schedule 13.

## **2.23 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.

## **2.24 Cash and Cash Equivalent**

Cash and cash equivalent for the purpose of cash flow statement comprises cash at bank, cash on hand, cheques on hand, short term deposit with bank, and stamp on hand.



## 2.25 Share issue expenses

Share issue related expenses are debited to Profit and Loss Account

## 3. NOTES TO ACCOUNTS

### 3.1 Statutory disclosures as required by IRDA:

#### 3.1.1 Contingent Liabilities:

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021
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		
• <b>Income tax –</b>		
✓ Demand raised for AY 2012-13	NIL	12,534
✓ Demand raised for AY 2014-15	56	107
✓ Demand raised for AY 2015-16	NIL	NIL
✓ Demand raised for AY 2018-19	NIL	69
• <b>Service Tax–</b>		
✓ Demand raised by Service Tax Department for the period April 2013 to June 2017 towards proportionate reversal of Cenvat credit on exempt turnover under Rule 6(3).	15,977	15,977
• <b>Goods &amp; Service Tax-</b>		
✓ Demand raised by Tamil Nadu GST department for the period July 2017 to March 2019 towards excess input tax credit availed.	111	NIL
✓ Demand raised by Maharashtra GST department for the period July 2017 to March 2018 towards excess ITC availed as per GSTR 9.	3,356	NIL
Reinsurance obligations to the extent not provided in the accounts	NIL	NIL
Others	NIL	NIL

#### 3.1.2 Encumbrances:

The assets of the Company are free from all encumbrances.

#### 3.1.3 Commitments:

Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets is ₹ 8,090 thousands (Previous year ₹ 1,120 thousands).

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

### 3.1.4 Premium Deficiency:

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

### 3.1.5 Claims

Claims, less reinsurance paid to claimant –

Particulars	(₹ '000)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
In India	17,45,732	5,86,130
Outside India	160	625

As per circular F&A/CIR/017/May-04 dated 18<sup>th</sup> May 2004, the claims made in respect of contracts where the claims payment period exceeds four years, are required to be recognized on actuarial basis. Accordingly, the appointed actuary has certified the fairness of the liability assessment.

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

Particulars	(₹ '000)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
More than six months	8,20,773	6,40,674
Others	2,75,262	2,86,455

Claims settled and remaining unpaid for more than six months is ₹ 1,333 thousands (Previous year ₹ 2,703).

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

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

3.1.8 Value of contracts in relation to investment, for:

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

(₹ '000)		
Nature of transaction	Asset Class	Amount
Purchase		NIL
Sale		NIL

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

The historical cost and fair value of listed equity shares and mutual funds are as follows:

Particulars	Historical Cost		Fair Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	(₹ '000)			
Investment–Mutual Funds	13,839	1,16,994	14,024	1,18,244

(₹ '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate market value of investments other than Mutual Funds and Listed Equity Shares	80,52,303	68,62,995
Aggregate amortized cost /cost of the investments other than Mutual Funds and Listed Equity Shares	81,32,118	68,30,064

The Company does not have any investment in property as on March 31, 2022. (Previous year ₹ NIL)

### 3.1.9 Managerial Remuneration:

(₹ '000)

Particular	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Allowances	31,153	28,453
Perquisites	743	737
Bonus	21,800	20,000
Contribution to Provident Fund	1,104	1,104
Contribution to Gratuity Fund	526	-
<b>Total</b>	<b>55,326</b>	<b>50,295</b>

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

Of the above, an amount of ₹ 15,000 thousands (Previous year ₹ 15,000 thousands) has been included under the head "Employees' Remuneration and Welfare Benefits" in Schedule 4 - 'Operating Expenses relating to Insurance Business' and the balance amount of ₹ 40,326 thousands (Previous year ₹ 35,295 thousands) has been disclosed in the Profit & Loss Account under the head 'Expenses other than those related to Insurance business'.

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

Particulars	Year	Risk Retained	Risk Reinsured
		% of business written	% of business written
Fire	2021-22	16%	84%
	2020-21	20%	80%
Marine	2021-22	95%	5%
	2020-21	95%	5%
Miscellaneous	2021-22	94%	6%
	2020-21	92%	8%
<b>Total</b>	<b>2021-22</b>	<b>89%</b>	<b>11%</b>
	<b>2020-21</b>	<b>88%</b>	<b>12%</b>

### 3.1.11 Percentage of Business Sector wise (Based on the Gross Direct Premium)

Business Sector	For the year ended March 31, 2022					For the year ended March 31, 2021				
	GDP (₹ '000)	No. of Policies	No. of Lives	Required as per Regulations	% of GDP	GDP (₹ '000)	No. of Policies	No. of Lives	Required as per Regulations	% of GDP
Rural	3,21,426	18,149	-	7.00%	8.55%	3,00,801	1,97,738	-	7.00%	11.05%
Social	1,812	266	29,902	27,207	0.05%	3,091	303	9,296	9,292	0.11%
Urban	34,35,012	1,76,163	-	-	91.40%	24,18,260	1,30,755	-	-	88.84%
<b>Total</b>	<b>37,58,251</b>	<b>1,94,578</b>	<b>-</b>	<b>-</b>	<b>100.00%</b>	<b>27,22,152</b>	<b>3,28,796</b>	<b>-</b>	<b>-</b>	<b>100.00%</b>

### 3.1.12 Reinsurance Regulations

As per Insurance Regulatory and Development Authority of India (Re-insurance) Regulations, 2018, surplus over and above domestic reinsurance arrangements class-wise can be placed by the (re)insurer independently with any of the cross-border reinsurers (CBR) subject to the following limits of the total reinsurance premium ceded outside India being placed with any one reinsurer:

Rating of CBR as per Standard & Poor or equivalent	Maximum overall cession limits allowed per CBR
BBB & BBB + of Standard & Poor	10%
Greater than BBB+ and upto & including A+ of Standard & Poor	15%
Greater than A+ of Standard & Poor	20%

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

In term of IRDA Reinsurance Regulations, the Company has submitted details in respect of its reinsurance program for the year 2022-23 to the Authority.

### 3.1.13 Employee benefits:

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

#### a) Defined Benefit plan: -

Particulars	Gratuity (Funded)	
	2021-22	2020-21
<b>Changes in Present Value of Obligations</b>		
Present Value of Obligation as at the beginning of the year	16,003	10,623
Acquisition adjustment		
Interest Cost	1,044	684
Past Service Cost		
Current Service Cost	6,053	4,486
Curtailment Cost / (Credit)		
Settlement Cost / (Credit)		
Benefits paid	(212)	
Actuarial (gain)/ loss on obligations	(2,205)	210
Present Value of Obligation as at the end of the year	<b>20,682</b>	<b>16,003</b>
<b>CHANGES IN FAIR VALUE OF PLAN ASSETS</b>		
Fair Value of Plan Assets at the beginning of the year	9,847	3,095
Acquisition Adjustments	-	-

Particulars	Gratuity (Funded)	
	2021-22	2020-21
Expected Return on Plan Assets	1,614	472
Contributions	23,564	6,391
Benefits Paid	(212)	-
Actuarial Gain / (loss) on Plan Assets	(1,686)	(111)
Fair Value of Plan Assets at the end of the year	<b>33,126</b>	<b>9,847</b>
<b>ACTUARIAL GAIN / LOSS RECOGNIZED</b>		
Actuarial (gain)/ loss for the year – Obligation	(2,205)	210
Actuarial (gain)/loss for the year - Plan Assets	1,686	111
Total (gain) / loss for the year	(518)	321
Actuarial gain/ (loss) recognized in the year	518	(321)
Unrecognized actuarial (gains) / losses at the end of year	-	-
<b>AMOUNTS TO BE RECOGNIZED IN BALANCE SHEET</b>		
Present Value of Obligation as at the beginning of the year	6,156	7,528
Employer expenses for the period	17,408	5,019
Benefit payment made directly by Sponsor	-	-
Actual Contribution by Sponsor	(23,564)	(6,391)
Net Asset/ (Liability) Recognized in Balance Sheet	-	<b>(6,156)</b>
<b>EXPENSE RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS</b>		
Current Service Cost	18,496	4,486
Past Service Cost	-	-
Interest Cost	1,044	684
Expected Return on Plan Assets	(1,614)	(472)
Curtailment Cost /(Credit)	-	-
Settlement Cost /(Credit)	-	-
Net actuarial (gain)/loss recognized in the year	(518)	321
Expenses Recognized in the statement of Profit & Loss	<b>17,408</b>	<b>5,019</b>

**Summary of actuarial assumptions used in valuation**

Discount Rate	6.96%	6.57%
Rate of increase in Compensation levels	10.00%	10.00 %
Rate of Return on Plan Assets	7.50%	7.50 %
Expected Average remaining working lives of employees (years)	8.72 yrs	8.70 yrs

**Experience Adjustments:**

(₹ '000)

Particulars	Gratuity (Funded)				
	2021-22	2020-21	2019-20	2018-19	2017-18
Present value of the defined benefit obligation	20,682	16,003	10,623	11,299	8,977
Fair value of the plan assets	33,126	9,847	3,095	4,988	7,804
Surplus or (deficit) in the plan	12,444	(6,156)	(7,528)	(6,311)	(1,173)
Experience adjustments on liabilities: gain/(loss)	1,436	102	555	(3,537)	(9)
Experience adjustments on plan assets: gain/(loss)	(1,686)	(111)	(79)	(63)	(86)

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

The Contribution expected to be made by the Company during the F.Y.2022-23 amounts to ₹ NIL thousands.

## b) Defined Contribution Plan: -

(₹ '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to Provident Fund	11,366	9,747
Contribution to Superannuation Fund	2,701	2,791
Contribution to National Pension Scheme	2,181	1,213

## c) Other long-term liability: -

Amount recognised as an expense in respect of Privileged Leave is ₹ 4,090 thousands (Previous year ₹ 1,525 thousands).

Amount recognised as an expense in respect of Sick Leave is ₹ 771 thousands (Previous year ₹ 822 thousands).

## 3.1.14 Summary of Financial Statements:

(₹ '000)

	Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
<b>A</b>	<b>OPERATING RESULTS</b>					
	Gross written premium	39,26,587	29,61,553	17,99,743	12,96,393	9,28,525
	Net Earned Premium (Net of reinsurance)	29,70,426	18,29,017	11,43,021	8,95,665	6,01,914
	Income from investment (Net)	3,58,104	2,75,120	2,26,557	1,53,417	1,00,671
	Miscellaneous Income	2,027	1,604	3,230	1,967	1,616
	Total Income	33,30,556	21,05,740	13,72,808	10,51,050	7,04,201
	Commission (Net) including Brokerage	4,47,012	3,34,577	1,10,730	74,593	51,873
	Operating Expense	9,18,176	6,93,864	5,11,496	3,67,505	2,60,075
	Net Claims Incurred	24,12,209	15,90,932	8,59,414	7,47,845	4,60,239
	Change in Unexpired Risk Reserve	2,86,165	5,85,381	2,89,425	1,55,470	1,57,578
	Operating Profit/Loss	(4,46,841)	(5,13,632)	(1,07,929)	(1,39,254)	(64,785)
<b>B</b>	<b>NON-OPERATING RESULT</b>					
	Total Income Under Shareholders account	1,20,807	1,33,342	88,370	1,23,041	1,48,423
	Profit/(Loss) before tax	(9,64,889)	(8,43,254)	(6,54,742)	(2,19,033)	17,053
	Provision for tax	(1,026)	(5,176)	(33,597)	(15,503)	6,002
	Profit/(Loss) after tax	(9,63,864)	(8,38,078)	(6,21,145)	(2,03,530)	11,051
<b>C</b>	<b>MISCELLANEOUS</b>					
	<b>Policy Holder's Account:</b>					
	Total Funds	61,23,938	47,07,582	33,41,217	22,98,581	15,77,110
	Total Investments	61,23,938	47,07,582	33,41,217	22,98,581	15,77,110
	Yield on investments	6.30%	6.86%	3.60%	7.23%	7.84%
	<b>Shareholder's account:</b>					
	Total Funds	20,34,204	21,48,975	14,87,725	21,08,784	23,10,539
	Total Investments	20,22,204	22,40,726	13,11,741	18,19,260	18,86,349
	Yield on investments	6.30%	6.86%	7.17%	7.23%	7.84%
	Paid up Equity Capital	29,60,413	26,47,288	20,70,000	20,70,000	20,70,000
	Net Worth	20,34,204	21,48,975	14,87,725	21,08,784	23,10,539
	Total Assets	88,75,871	76,35,472	52,34,761	45,47,777	38,31,188
	Yield on Total Investments*	6.30%	6.86%	7.17%	7.23%	7.84%
	Earnings per Share (₹)	(3.50)	(3.57)	(3.00)	(0.98)	0.05
	Book value per Share (₹)	7.39	9.15	7.19	10.19	11.16
	Total Dividend	-	-	-	-	-
	Dividend per share (₹)	-	-	-	-	-

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

### 3.1.15 Analytical Ratios as on 31st March 2022:

For ratios as on March 31, 2022 refer Annexure 1a and for March 31, 2021 refer Annexure 1b.

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

Sl No.	Authority	Non-Compliance/ Violation	Amount in ₹ '000		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	NIL	NIL	NIL	NIL
2	Service Tax / GST Authorities	NIL	NIL	NIL	NIL
3	Income Tax Authorities	NIL	NIL	NIL	NIL
4	Any other Tax Authorities	NIL	NIL	NIL	NIL
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	NIL	NIL	NIL	NIL
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	NIL	NIL	NIL	NIL
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	NIL	NIL	NIL	NIL
8	Securities and Exchange Board of India *	NA	NA	NA	NA
9	Competition Commission of India	NIL	NIL	NIL	NIL
10	Any other Central/State/Local Government / Statutory Authority	NIL	NIL	NIL	NIL

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

(₹ '000)

Particulars	Total Amount	AGE-WISE ANALYSIS							
		00-06 Months	07-12 months	13-18 months	19-24 months	25-30 months	31-36 months	37-120 months	More than 120 months
claims settled but not paid to the policyholders / Insured due to any reasons except under litigation from the insured / policyholders	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
sum due to the insured / policyholders on maturity or otherwise	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	331.66	NIL	127.53	105.37	97.46	0.35	0.24	0.72	NIL
Cheques issued but not encashed by the policyholder/ insured	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total</b>	<b>331.66</b>	<b>NIL</b>	<b>127.53</b>	<b>105.37</b>	<b>97.46</b>	<b>0.35</b>	<b>0.24</b>	<b>0.72</b>	<b>NIL</b>

Details of Unclaimed amount and investment income for the year ended 31st March 2022 is as under.

(₹ '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Policy Due	Income Accrued	Policy Due	Income Accrued
Opening Balance	1.15	0.01	11,596	-
Add: Amount transferred to Unclaimed *	475.42	-6.92	3,788	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	-	-	-	-
Add: Investment Income on Unclaimed	-	10	-	0.01
Less: Amount of claims paid during the year	145.05	2.95	15,383	-
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-	-	-
<b>Closing Balance of Unclaimed Amount</b>	<b>331.52</b>	<b>0.14</b>	<b>1.15</b>	<b>0.01</b>

\*Interest realised on unclaimed amount reinvested

### 3.2 Other Disclosures:

#### 3.2.1 Contribution to the Environment Relief fund

During the year, an amount of ₹ 336 thousands (Previous year – ₹ 451 thousands) was collected towards Environment Relief Fund from Public Liability Act policies and an amount of ₹ 353 thousands (Previous year – ₹ 424 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, 1991 as amended and in accordance with notification no. G.S.R 768 (E) dated November 4, 2008. The balance amount ₹ 10 thousands (previous year ₹ 27 thousands) has been disclosed under the head current liabilities in schedule-13.

#### 3.2.2 Contribution to the Solatium Fund

In accordance with the IRDAI requirements, the Company has provided 0.10% of total third-party premium on all motor policies (excluding reinsurance premium accepted on motor third party for commercial vehicles) towards contribution to the Solatium Fund. During the year, the Company has contributed ₹ 838 thousands (Previous year ₹ 510 thousands) and disclosed under Current Liabilities.

#### 3.2.3 Micro, Small and Medium scale business entities:

There is no Micro, Small & Medium enterprise to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2022. This information, which is 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.

(₹ '000)

Segment	Year	Claims Outstanding	Advance Premium	Reserve for unexpired risk	Premium Deficiency Reserve
Fire	2021-22	30,681	3729	7,332	-
	2020-21	13,113	-	21,547	-
Marine Cargo	2021-22	354	-	25	-
	2020-21	679	-	52	-
Marine Hull	2021-22	-	-	-	-
	2020-21	-	-	-	-
Motor OD	2021-22	2,87,847	13,644	9,30,350	-
	2020-21	2,09,215	9,872	7,10,554	-
Motor TP	2021-22	28,70,259	3,40,940	3,91,951	-
	2020-21	23,55,514	1,10,300	3,01,165	-
Employer's Liability	2021-22	26,477	83	9,290	-
	2020-21	28,667	-	10,130	-
Engineering	2021-22	10,009	-	4,705	-
	2020-21	891	-	1,523	-
Aviation	2021-22	-	-	-	-
	2020-21	-	-	-	-
Public Liability	2021-22	58,558	3,938	17,659	-
	2020-21	56,420	-	28,409	-
Other Liability	2021-22	5,61,885	8,500	4,28,866	-
	2020-21	4,71,684	-	3,75,586	-
Personal Accident	2021-22	370	221	293	-
	2020-21	1,676	-	4,947	-
Health	2021-22	18,760	3,410	21,417	-
	2020-21	60,311	-	70,907	-
Other Misc.	2021-22	662	8	310	-
	2020-21	1,374	-	1,213	-
<b>Total</b>	<b>2021-22</b>	<b>38,65,860</b>	<b>3,74,473</b>	<b>18,12,197</b>	<b>-</b>
	<b>2020-21</b>	<b>31,99,543</b>	<b>1,20,172</b>	<b>15,26,032</b>	<b>-</b>

### 3.2.5 Related Party disclosures:

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

Nature of Relationship	Name of the Related Party
Holding Company	Prism Johnson Limited (Formerly known as Prism Cement Limited effective 18 <sup>th</sup> April 2018.)
Joint Venture Partner	<ul style="list-style-type: none"> <li>QBE Holdings (AAP) Pty Limited</li> <li>QBE Asia Pacific Holding Limited</li> </ul>
Holding Company of Joint Venture Partner	QBE Insurance Group Limited
Fellow Subsidiary and Associate concern- <b>QBE Holdings (AAP) Pty Limited ('QAAP')</b>	<ul style="list-style-type: none"> <li>QBE Insurance (Australia) Limited</li> <li>QBE Workers Compensation (VIC) Pty Limited</li> <li>QBE Workers Compensation (NSW) Limited</li> <li>Australian Aviation Underwriting Pool Pty Limited</li> <li>QBE Lenders' Mortgage Insurance Limited</li> <li>QBE Mortgage Insurance (Asia) Limited</li> </ul>

Nature of Relationship	Name of the Related Party
Fellow Subsidiary and Associate concern- <b>QBE Holdings (AAP) Pty Limited ('QAAP')</b>	<ul style="list-style-type: none"> <li>• Elders Insurance (Underwriting Agency) Pty Limited</li> <li>• Austral Mercantile Collections Pty Limited</li> <li>• Trade Credit Collections Pty Limited</li> <li>• Trade Credit Underwriting Agency Pty Ltd</li> <li>• Trade Credit Underwriting Agency NZ Ltd</li> <li>• QBE Insurance (International) Pty Limited</li> <li>• QBE Insurance (Vietnam) Company Limited</li> <li>• QBE Insurance (Fiji) Limited</li> <li>• Queensland Insurance (Investments) Pte Ltd</li> </ul>
Fellow Subsidiary and Associate concern- <b>QBE Asia Pacific Holdings Limited ('QAPH')</b>	<ul style="list-style-type: none"> <li>• QBE Insurance (Singapore) Pte. Ltd</li> <li>• QBE Insurance (Vanuatu) Limited</li> <li>• QBE (PNG) Limited</li> <li>• QBE Insurance (PNG) Limited</li> <li>• QBE HongKong &amp; Shanghai Insurance Limited</li> <li>• QBE General Insurance (Hong Kong) Limited</li> <li>• QBE Insurance (Malaysia) Berhad</li> <li>• Sinkaonamahasarn Company Limited</li> <li>• QBE Asia Services Sdn. Bhd</li> </ul>
Fellow Subsidiary and Associate concern- <b>Prism Johnson Limited (Formerly known as Prism Cement Limited effective 18<sup>th</sup> April 2018.)</b>	<ul style="list-style-type: none"> <li>• H. &amp; R. Johnson (India) TBK Limited</li> <li>• RMC Readymix Porselano (India) Limited</li> <li>• Silica Ceramica Private Limited</li> <li>• Milano Bathroom Fittings Private Limited</li> <li>• TBK Venkataramiah Tile Bath Kitchen Private Limited</li> <li>• TBK Rangoli Tile Bath Kitchen Private Limited</li> <li>• TBK Samiyaz Tile Bath Kitchen Private Limited</li> <li>• TBK Prathap Tile Bath Kitchen Private Limited</li> <li>• Ardex Endura (India) Private Limited</li> <li>• Sentini Cermica Private Limited</li> <li>• Antique Marbonite Private Limited</li> <li>• Spectrum Johnson Tiles Private Limited</li> <li>• Small Johnson Floor Tiles Private Limited</li> <li>• Coral Gold Tiles Private Limited</li> <li>• Sanskar Ceramics Private Limited</li> <li>• CSE Solar Parks Satna Private Limited</li> <li>• Sunspring Solar Private Limited</li> <li>• Prism Power and Infrastructure Private Limited</li> </ul>
Key Management personnel and relative of such personnel	<p><b>Mr. Pankaj Arora – Chief Executive Officer &amp; Managing Director from 01<sup>st</sup> April 2019</b></p> <p><b>Relatives of Mr. Pankaj Arora-</b></p> <ul style="list-style-type: none"> <li>• Mrs. Shilpi Arora- Wife</li> <li>• Mr. Krishan Lal Arora-Father</li> <li>• Mrs. Shashi Arora- Mother</li> <li>• Ms. Myra Arora- Daughter</li> <li>• Mr. Jitender Arora- Brother</li> </ul>

b. Details of transactions with related parties:

(₹ '000)

Particulars	Nature of Transactions	2021-22		2020-21	
		Rupees (Paid / Received)	Receivable /(Payable)	Rupees (Paid / Received)	Receivable /(Payable)
Prism Johnson Limited (Formerly Known as Prism Cement Limited)	Premium received**	12,778	-	16,474	-
	Premium deposit**	-	(42)	-	(12)
	Claims paid	399	(4,889)	230	(3,015)
	Rent paid	60	-	110	-
	Excess premium Amount Refunded	187			
	Share capital received including premium	4,33,676	-	765,484	-
QBE Holdings (AAP) Pty Limited	Share capital received including premium	4,16,669	-	735,465	-
QBE Insurance (Singapore) PTE Limited	Reinsurance premium paid	-	(51,957)	31,573	(85,081)
	Reinsurance commission received	-	10,349	6,598	17,922
	Claims recoverable	-	599	469	599
QBE Insurance (Australia) Limited	Reinsurance premium paid	-	(509)	-	(509)
	Reinsurance commission received	-	102	-	102
	Recovery of expense	-	265	-	-
Pankaj Arora	Remuneration	55,326	(31,533)	50,295	(26,133)

\*\* The premium amounts are excluding GST and other levies.

**3.2.6 Lease:**

The Company has taken office premises on lease.

a. Lease rent debited to Profit and Loss Account:

(₹ '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Lease Rental	23,574	24,068

During the year, Lease payments for assets taken on operating lease by the Company are recognized as an expense on a Straight-line basis over the lease term as against previously charging the same based on actual lease charges for that period. Accordingly, loss for the year ended March 31, 2022 is lower by Rs.70 thousands.

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

(₹ '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Not later than one year	3,172	19,054
Later than one year and not later than five years	-	3,172

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.

### 3.2.7 Earnings per Share:

Particulars	(₹ '000)	
	As at March 31, 2022	As at March 31, 2021
Profit available to equity shareholders	(9,63,864)	(8,38,078)
Total no of share outstanding at end of year	296,041	264,729
Weighted average no of equity shares outstanding during the year	275,410	234,885
Nominal value per share (₹)	10.00	10.00
Basic Earnings per share (₹)	(3.50)	(3.57)
Diluted Earnings per share (₹)	(3.50)	(3.57)

### 3.2.8 Taxes:

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

#### 1) Current Tax:

Particulars	(₹ '000)	
	As at March 31, 2022	As at March 31, 2021
Current Tax/MAT payable	-	-
Tax adjustments for earlier years	-	(3,883)
MAT Credit Entitlement	-	-
MAT Credit taken for earlier years, now reversed	-	-
<b>TOTAL</b>	-	<b>(3,883)</b>

#### 2) Deferred Taxation

The components of Deferred tax assets on account of timing differences are as follows:

Particulars	(₹ '000)	
	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Liability (DTL):</b>		
Depreciation on Fixed Asset		-
<b>Total Deferred Tax Liability (A)</b>		-
<b>Deferred Tax Assets (DTA):</b>		
Depreciation on Fixed Asset	4,736	3,537
Provision for diminution in of value of investments	51,991	51,991
Related to leave encashment provision	5,858	4,594
Related to gratuity provision	-	1,601
Others	1,266	1,103
<b>Total Deferred Tax Assets (DTA) (B)</b>	<b>63,852</b>	<b>62,826</b>
<b>Net Deferred Tax Asset (A) – (B)</b>	<b>63,852</b>	<b>62,826</b>

Deferred Tax on unabsorbed depreciation or carried forward loss under taxation laws are recognized only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which Deferred Tax Asset can be realized.

### 3.2.9 Outsourcing, business development and marketing support expenses

Expenses relating to outsourcing, business development and marketing support are:

(₹ '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Outsourcing expenses	73,784	69,443
Business development	-	-
Sales promotion	4,898	6,479
Business support services	-	-
Marketing support	-	-

### 3.2.10 Corporate Social Responsibility:

In accordance with the provision of the Section 135 of the Companies Act, 2013 the company was required to spend ₹ NIL (Previous year ₹ NIL) on account of Corporate Social Responsibility (CSR) activities.

### 3.2.11 Pursuant to IRDAI (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016, the following expenses in excess of the permissible limit are charged to shareholder's account:

(₹ '000)

Segment	for the year ended March 31, 2022
Fire	36,818
Marine	38
Health	10,882
Miscellaneous	15,968
Motor	3,84,266
Liability	1,47,337
<b>Total</b>	<b>5,95,309</b>

### 3.2.12 As per Master Circular of IRDA dated May 2016, Investments in the securities of IL&FS has been classified as Non – Performing Asset (NPA) since the interest on securities has remained overdue for more than 90 days. A provision of 100% of the amortized value of investments in IL&FS amounting to Rs. 1,99,967 thousand has already been made by 2019-20. The interest accrued on all the IL&FS securities till 31st March 2022 has also been reversed. During the year, Unsettled Investment receivables on maturity pertaining to one of the securities issued by Infrastructure Leasing & Financial Services Limited (IL&FS) has been classified to Schedule -12 Advances & Other Assets along with respective provision amounting to ₹ 1,00,000 thousand.

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

### 3.2.13 Disclosure of Other Works Given to Auditors:

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

(₹ '000)

Name	Nature	For the year ended March 31, 2022	For the year ended March 31, 2021
Shah Gupta & Co.	Certification	120	110
Sudit K. Parekh & Co. LLP	Certification	90	50
Shah Gupta & Co.	Tax Audit	88	75
Sudit K. Parekh & Co. LLP	Tax Audit	88	75
Shah Gupta & Co.	Limited Review	138	125
Sudit K. Parekh & Co. LLP	Limited Review	138	125
Shah Gupta & Co.	Other Services	60	79
Sudit K. Parekh & Co. LLP	Other Services	99	102

- 3.2.14 In March 2020, the World Health Organization declared the outbreak of novel Corona Virus disease ("COVID-19") as a "Pandemic" in response to which the Indian Government imposed a nation-wide lockdown from March 25, 2020 among various other measures undertaken to contain the spread of the pandemic. The restrictions were gradually lifted leading to improvement in economic conditions. This was again followed by two waves of COVID-19 with outbreak of new variants, led to regional lockdown, which is now lifted with Mass vaccination drive in the country.

The management has assessed the financial impact of the pandemic over the financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess and provide for the impact of the COVID-19 pandemic on the Financial Statements as a whole for the year ended March 31, 2022. However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with current estimates. The Company will continue to closely monitor any changes to the estimates basis future economic conditions. Further, the impact assessment does not indicate any adverse impact on the ability of the company to continue as a going concern.

**3.2.15** 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:

(₹ '000)

Previous Year 2020-21				Amount	Remark
Regrouped from		Regrouped to			
Schedule	Line item	Schedule	Line item		
Schedule – 4	Legal & professional charges	Schedule – 4	Subscriptions and membership fees	744	Reclassified for better presentation
Schedule – 4	Legal & professional charges	Schedule – 4	Repairs	8,229	
Schedule – 4	Repairs	Schedule – 4	Legal & professional charges	3,885	
Schedule - 4	Office maintenance expenses	Schedule - 4	Employees’ remuneration & welfare benefits	2,157	
Schedule - 13	Balances due to other insurance companies	Schedule - 12	Due from other entities carrying on insurance business (including reinsurers)	71,528	

As per our Report of even date attached.

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

**PARTH  
PRAKASH  
PATEL**

Digitally signed by PARTH PRAKASH PATEL  
DN: cn=PARTH PRAKASH PATEL, o=Maharashtra, c=IN, email=ppatel@shahgupta.co, postalCode=400006, serialNumber=728131051134F4256A697C6  
O=SHAH GUPTA & CO., OU=CHARTERED ACCOUNTANTS, CN=PARTH PRAKASH PATEL  
Date: 2022.05.06 19:11:42 +05'30'

**CA. Parth P Patel**  
Partner  
Membership No. 172670

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

**KAPADIA  
NEMISH  
BHARAT**

Digitally signed by KAPADIA NEMISH BHARAT  
DN: cn=KAPADIA NEMISH BHARAT, o=Maharashtra, c=IN, email=nbh@parekh.co, postalCode=400006, serialNumber=728131051134F4256A697C6  
O=PAREKH & CO., OU=CHARTERED ACCOUNTANTS, CN=KAPADIA NEMISH BHARAT  
Date: 2022.05.06 19:11:42 +05'30'

**CA. Nemish Kapadia**  
Partner  
Membership No. 111929

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

**Akshay  
Rajan  
Raheja**

Digitally signed by Akshay Rajan Raheja  
Date: 2022.05.06  
16:24:34 +05'30'

**Akshay Raheja**  
Chairman  
DIN. 00288397

**Vijay  
aggarwal**

Digitally signed by Vijay aggarwal  
Date: 2022.05.06  
15:09:41 +05'30'

**Vijay Aggarwal**  
Director  
DIN. 00515412

**PANKAJ  
ARORA**

Digitally signed by PANKAJ ARORA  
Date: 2022.05.06  
14:33:26 +05'30'

**Pankaj Arora**  
Managing Director & CEO  
DIN. 08327428

**AMEETA  
AZIZ PARPIA**

Digitally signed by AMEETA AZIZ PARPIA  
Date: 2022.05.06  
14:42:26 +05'30'

**Ameeta Parpia**  
Independent Director  
DIN. 02654277

**SHAH JIGAR  
ASHWIN**

Digitally signed by SHAH JIGAR ASHWIN  
Date: 2022.05.06  
14:42:04 +05'30'

**Jigar Shah**  
Company Secretary  
ACS No. A34571

**Chandraprakash Jain**

Digitally signed by Chandraprakash Jain  
Date: 2022.05.06  
14:30:47 +05'30'

**Chandraprakash Jain**  
Chief Financial Officer  
Membership No. 404957

**Place: Mumbai,**  
**Date: May 06, 2022**

**Annexure-1a Analytical Ratios as on March 31, 2022**

Sr No	Ratio	Fire	Marine	Misc	Total
1	Gross Direct Premium Growth rate	27.93%	(94.43)%	38.65%	38.06%
2	Gross Direct premium to Net worth ratio	NA	NA	NA	1.85
3	Growth rate to Net worth	NA	NA	NA	(5.29)%
4	Net Retention Ratio	5.89%	74.80%	87.62%	82.94%
5	Net commission Ratio	(8.67)%	(19.10)%	13.82%	13.73%
6	Expense of Management to Gross Direct Premium Ratio	70.39%	55.11%	52.87%	53.58%
7	Expense of Management to Net written Premium Ratio	650.97%	31.85%	57.79%	60.20%
8	Net Incurred Claims to Net Earned Premium	92.82%	(245.96)%	81.11%	81.21%
9	Combined Ratio	743.79%	(214.11)%	138.90%	141.41%
10	Technical Reserve to Net Premium ratio	2.87	3.68	1.74	1.74
11	Underwriting Balance ratio	(3.07)	3.21	(0.45)	(0.47)
12	Operating Profit Ratio	(157.05)%	379.35%	(13.73)%	(15.04)%
13	Liquid Asset to liabilities ratio	NA	NA	NA	0.17
14	Net Earnings Ratio	NA	NA	NA	(29.60)%
15	Return on net worth	NA	NA	NA	(47.38)%
16	Reinsurance Ratio	94.11%	25.20%	12.38%	17.06%
17	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	NA	NA	NA	2.22
18	NPA ratio	NA	NA	NA	NA

**Annexure-1b Analytical Ratios as at March 31, 2021**

Sr No	Ratio	Fire	Marine	Misc	Total
1	Gross Direct Premium Growth rate	222.85%	1628.25%	68.45%	72.16%
2	Gross Direct premium to Net worth ratio	NA	NA	NA	1.27
3	Growth rate to Net worth	NA	NA	NA	44.45%
4	Net Retention Ratio	24.13%	85.47%	85.56%	81.52%
5	Net commission Ratio	9.75%	13.09%	13.94%	13.86%
6	Expense of Management to Gross Direct Premium Ratio	73.59%	49.29%	52.88%	53.78%
7	Expense of Management to Net written Premium Ratio	166.02%	56.79%	58.04%	60.14%
8	Net Incurred Claims to Net Earned Premium	31.93%	24.28%	87.99%	86.98%
9	Combined Ratio	197.95%	81.07%	146.03%	147.13%
10	Technical Reserve to Net Premium ratio	0.74	0.35	1.98	1.96
11	Underwriting Balance ratio	(1.88)	0.19	(0.64)	(0.66)
12	Operating Profit Ratio	(84.83)%	46.15%	(27.21)%	(28.08)%
13	Liquid Asset to liabilities ratio	NA	NA	NA	0.44
14	Net Earnings Ratio	NA	NA	NA	(34.71)%
15	Return on net worth	NA	NA	NA	(39.00)%
16	Reinsurance Ratio	75.87%	14.53%	14.44%	18.48%
17	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	NA	NA	NA	3.66
18	NPA ratio	NA	NA	NA	NA

Note: Above mentioned ratios for current year as well as prior year have been aligned taking into consideration definitions given in Circular No. IRDAI/F&A/CIR/MISC/256/09/2021 dated September 30, 2021 wherever necessary.