



# 11th ANNUAL REPORT

2017-18



**RELIGARE**  
Values that bind

Health  
Insurance

*Ab Health Hamesha*



## **Religare Health Insurance Company Limited**

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## DIRECTOR'S REPORT

**Dear Members,**

Religare Health Insurance Company Limited

Your Directors have the pleasure in presenting the 11<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2018.

### FINANCIAL RESULTS



<b>(Rs. in Crores)</b>		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Gross Written Premium	1,110.78	726.06
Net Written Premium	821.87	527.20
<b>Net Earned Premium (A)</b>	<b>679.67</b>	<b>484.00</b>
Net Incurred Claims (B)	353.21	244.51
Net Commission (C)	(41.32)	(43.03)
Expenses (D)	443.98	325.25
Investment & Other Income (E)	59.95	44.88
Profit / (Loss) Before Tax (A-B-C-D+E)	(16.25)	2.15
Provision for tax	0	0
Profit / (Loss) After Tax	(16.25)	2.15

## *RHICL's INSURANCE PRODUCTS*

With awareness and demand of health insurance growing significantly, the industry has realized that 'one size fits all' products will not work and thus your Company has started designing specialized products for every segment.

As the organization grows from strength to strength, the product portfolio has also diversified and now comprises of a comprehensive range of products in the health, critical illness, travel and personal accident categories. With due focus on specialization, your Company has worked towards creating new product categories and enriching the existing categories.

### *Health Insurance Products*

carē

A comprehensive Health Insurance plan to meet everyone's healthcare needs, Care, has been our flagship product for the past 6 years. Whether you are young or old, Care is always there for you in times of need. What makes it popular is the ability to customize and build your insurance product, from a plethora of optional benefits, to service your specific requirement.

carē freedom

A comprehensive Health Insurance plan for senior citizens and individuals with a pre-existing condition. What makes it even more special is that there are no hassles of pre-policy medical check-ups and no loading based on health condition.

enhancē

A Super-Top Health Insurance plan for those who aspire for high sum insured at affordable prices. Enhance is most popular among those who already have a health insurance policy of a lower sum insured, and would want to increase their sum insured to address medical emergencies.

JOY

A Maternity Health Insurance product specially designed for young families who are planning a family. While the focus is on maternity related hospitalization, this product covers any hospitalization during the policy tenure.

## Critical Illness Products

assurē

A Fixed Benefit product which provides coverage against 20 major critical illnesses, the key USP for Assure has always been its Zero Day Survival Period. With a Personal Accident cover to go along with 20 Critical Illnesses, Assure can easily stake claim for one of the best available products in this category.

## Personal Accident Products

secureē

A Fixed Benefit product against Accidental Death and Disabilities, Secure has been revamped this year with a host of attractive benefits such as Temporary Total Disability, Common Carrier Mishap, PTD and PPD Improvement and Loyalty Benefits among others. This new version of Secure is a prime example of how we have evolved our product around customer needs.

## Travel Products

exploreē

A comprehensive International Travel Insurance which covers hospitalization and out-patient treatment, Explore also provides other travel related benefits such as delay/loss of baggage, loss of passport, trip cancellation among others.

student exploreē

A comprehensive Insurance plan targeted at students studying abroad covering hospitalization as well as out-patient treatment, Student Explore also provides other benefits such as delay/loss of baggage, loss of passport, study interruption, sponsor protection and much more.

## FUTURE OUTLOOK



In Financial year 2018-19, the industry is expected to grow at a steady pace in line with the growth seen in FY 2017-18. To achieve this, your Company plans to focus on increasing its distribution footprint through various Channels such as Agency, Banks, Brokers and Online.

## INVESTMENTS



Your company has made Investments in compliance with IRDAI Investment Regulations and total Asset under management as on 31st March, 2018 stands at Rs. 927.92 Crore (including deposit with banks amounting to Rs. 59.64 Crore).

## TRANSFER TO RESERVES



Your Company had not transferred towards the reserves and surplus during the financial year 2017-2018.



## SHARE CAPITAL



The authorized share capital of your Company as on March 31, 2018 is Rs. 800,00,00,000 (Rupees Eight Hundred Crores only) divided into 80,00,00,000 equity shares (Eighty Crores only) of Rs. 10/- each (Rupees Ten only).

During the year your Company has raised Rs. 69,23,79,000 (Rupees Sixty Nine Crores Twenty Three Lac Seventy Nine Thousand only) by allotting 6,92,37,900 (Six Crore Ninety Two Lac Thirty Seven Thousand and Nine Hundred only) equity shares of Rs. 10 each in two tranches to the existing shareholders on Right Issue basis in the existing ratio. Further, the Company has also allotted 8,42,484 (Eight Lac Forty Two Thousand Four Hundred and Eighty Four only) Equity Shares of Rs. 10/- each to ex-employees of the group Companies pursuant the exercise of the ESOP options, the details of which are given as below:

Date of allotment	Mode of increase in capital	No. of shares allotted	Amount	Paid Up capital (In Rupees)
September 13, 2017	Right Issue to the existing shareholders in their existing ratio	1,49,88,300 (One Crore Forty Nine Lac Eighty Eight Thousand Three Hundred only) Shares of Rs.10 each	14,98,83,000 (Rs. Fourteen crores Ninety Eight Lac Eighty Three Thousand only)	539,73,77,770
September 13, 2017	ESOP allotment to Ex-employees of the Group Company	6,24,684 ( Six Lac Twenty Four Thousand Six Hundred and Eighty	62,46,840 (Rs. Sixty Two Lac Forty Six Thousand Eight	540,36,24,610

		Four only) Shares of Rs. 10	Hundred and Forty only)	
March 28, 2018	Right Issue to the existing shareholders in their existing ratio	5,42,49,600 (Five Crore Forty Two Lac Forty Nine Thousand Six Hundred only) shares of Rs. 10 each	54,24,96,000 (Rs. Fifty Four Crore Twenty Four Lac Ninety Six Thousand only)	594,61,20,610
March 28, 2018	ESOP allotment to Employees/Ex-employees of the Group Company	2,17,800 ( Two Lac Seventeen Thousand and Eight Hundred only) Shares of Rs. 10 each	21,78,000 (Rs. Twenty One Lac Seventy Eight Thousand only)	594,82,98,610

The paid up equity share capital of your Company as on March 31, 2018 is Rs. 594,82,98,610 (Rupees Five Hundred and Ninety Four Crores Eighty Two Lac Ninety Eight Thousand Six Hundred and Ten Only) divided into 54,98,29,861 (Fifty Four Crore Ninety Eight Lac Twenty Nine Thousand Eight Hundred and Sixty One Only) equity shares of Rs. 10 each (Rupees Ten each only).

### **RURAL & SOCIAL SECTOR OBLIGATION**

Your Company has complied with the requirements of the IRDAI Regulations on Rural and Social Sector obligations.

### **DIVIDEND**

Your Company is not in a position to provide dividend to its shareholders due to losses in the Company.

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There has been no material change and commitment which will affect the financial position of the Company.



## STATEMENT ON THE AFFAIRS OF THE COMPANY



- Section 3A of the Insurance Act, 1938 has been amended by the Insurance Laws (Amendment) Act, 2015 to remove the process of annual renewal of the Certificate of Registration issued to Insurers under Section 3 of the Insurance Act, 1938. However, it has been stated that Insurers shall continue to pay such annual fee as may be prescribed by the Regulations. Insurance Regulatory Development Authority of India ("IRDAI") in line with the above amendment issued a general circular stating that Certificate of Registration of the Insurers renewed in 2014, expiring in March 2015, shall continue to be in force from April 1, 2015 subject to payment of renewal fee. Your Company had paid the renewal fee.
- During its Sixth year and Fifth full fiscal year of operations, your Company has continued to focus on developing its people and management strength, customer-led processes, scalable infrastructure and distribution capabilities.
- With a bouquet of multiple products across retail and group categories, your Company has products for each segment such as health, personal accident, critical illness, travel, excess of loss and maternity. Your Company has been servicing across country with network of 74 branches.
- During financial year 2017-18, your Company has under-written premium of Rs. 1110.78 Crores.
- Total employee strength of your Company as on 31st March 2018 is 6852.
- Your Company has tied up with more than 6,580 hospitals to facilitate cashless services to its customers.
- All retail claims are managed by in-house Claims team.
- Since the geographical spread of Group policies is vast, your Company has tied up with Third Party Administrators to service claims registered against selective Group policies.

## DIRECTORS



The composition of the Board of Directors of your Company is in conformity with the requirements of Corporate Governance Guidelines issued by IRDAI and the Companies Act, 2013. As on March 31, 2018, the Board of Directors of the Company consists of 6 Directors comprising a Managing Director & CEO and remaining 5 are other Directors as follows:



As per the rotation policy agreed between the Company and its shareholders, during the year Mr. Dandu Venkata Subramanya Varma, Nominee from Corporation Bank was appointed as

Nominee Director on February 06, 2017 for a period of six (6) months and his tenure was completed on August 05, 2017.

Post completion of the tenure of Mr. Dandu Venkata Subramanya Varma, Mr. Sanjay Sharma, Nominee from Union Bank of India was appointed as Bank Nominee Director on February 15, 2018 for a period of six (6) months.

During the year, Mr. Ravi Mehrotra and Mr. Shivinder Mohan Singh, Directors of the company had stepped down from the Board of Directors and various committees w.e.f. April 12, 2017 and February 02, 2018 respectively.

Further, during the year, the members in the last Annual General Meeting held on August 26, 2017 approved the appointment of Mr. Anuj Gulati as a Director of the Company liable to retire by rotation. The company had received requisite declaration and disclosures under the Companies act, 2013 from Mr. Anuj Gulati.

Additionally during the year, Mr. Daljit Singh was appointed as an Additional Non-Executive Director on the Board of the Company on February 15, 2018. The Board has recommended regularizing Mr. Daljit Singh as Non-Executive Director liable to retire by rotation in the upcoming Annual General Meeting. The Director of the Company is liable to retire by rotation in accordance to the provision of the Companies Act, 2013 and as approved by the Board.

The Company had also received all the requisite disclosures and declarations from the directors as required under the Companies Act, 2013 and IRDAI Corporate Governance guidelines.

Further, the Company had also received statement on declaration given by Independent Directors of the Company in accordance to Section 149(6) of the Companies Act, 2013.

### **COMMITTEES OF THE BOARD**

Your Company has constituted following mandatory and non-mandatory Committees as required under the Corporate Governance Guidelines issued by Insurance Regulatory & Development Authority of India (IRDAI).



All decisions pertaining to the constitution of the Board Committees, appointment of members and fixation of terms of reference of the Committees are taken by the Board of Directors.

## MEETINGS OF THE BOARD AND ITS COMMITTEES



Details of the composition, qualification, field of specialization, status of Directorships, meetings held during the financial year 2017-2018 and the attendance at each meeting of the Board and its Committees are as under:

### BOARD OF DIRECTORS

During the year, your Company held four (4) Board Meetings i.e. on April 29, 2017, July 25, 2017, November 07, 2017 and February 15, 2018. The brief details are as under:

No.	Name of the Director	Qualification	Field of specialization	Category	No. of meetings attended
1	Mr. Anuj Gulati	B. Tech, IIT Delhi, PGDBM, IIM Bangalore	Insurance Sector	Managing Director & CEO	4
2	Mr. Ravi Mehrotra*	B.Com. PGDBM	Finance & General Management	Non-Executive Director	0
3	Mr. Sham Lal Mohan	B.Sc. Mechanical Engg. and AIII (General), Insurance Institute of India, Mumbai	Insurance Sector	Independent Director	4
4.	Lt. Gen. (Retd.) S. S. Mehta	M. Sc. (Defence Studies)	Defence	Independent Director	4
5.	Ms. Hiroo Mirchandani	B.Com(Hon.), MBA	Consulting and Advisory	Independent Director	4
6.	Mr. Shivinder Mohan Singh**	Master In Healthcare Sector Management from Fuqua School of Business, Duke University, U.S.A. in the year 2000 Bachelor of Arts,	Healthcare	Non-Executive Director	0

		Mathematics (Honours) from University of Delhi, India in the year 1996			
7	Mr. D. V. S. Varma***	Certified Associate of Indian Institute of Bankers. Bachelor degree in Agriculture and Post Graduate in Personal Administration. Also Post Graduate diploma in Industrial Relations, Personnel Management and Labour Welfare.	Banking services	Bank Nominee Director	2
8	Mr. Daljit Singh****	Graduate from the Indian Institute of Technology, Delhi	Healthcare	Additional Non-Executive Director	1
9	Mr. Sanjay Sharma*****	M.sc	Banking services	Bank Nominee Director	0

\*Resigned from the Company w.e.f. April 12, 2017.

\*\* Resigned from the Company w.e.f. February 02, 2018.

\*\*\* Tenure ended w.e.f. August 05, 2017.

\*\*\*\*Appointed as an Additional Non-Executive Director w.e.f. February 15, 2018.

\*\*\*\*\*Appointed as Bank Nominee Director w.e.f. February 15, 2018.

### **AUDIT COMMITTEE**

Audit Committee has been functioning as per the provisions of the Companies Act, 2013 and the Corporate Governance guidelines issued by IRDAI. The major role of the Audit Committee is to oversee the financial statements, financial reporting, statement of cash flow; disclosure processes both on an annual and quarterly basis.

During the year, the Committee held four (4) meetings i.e. on April 29, 2017, July 25, 2017, November 07, 2017 and February 15, 2018. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Mr. S. L. Mohan	4
2	Lt. Gen. (Retd.) S. S. Mehta	4
3	Mr. Ravi Mehrotra*	0
4	Ms. Hiroo Mirchandani	4

\*Resigned from the Company w.e.f. April 12, 2017

### **INVESTMENT COMMITTEE**

The Investment Committee has been functioning in accordance with Corporate Governance guidelines issued by IRDAI, the Committee's role is to manage the investment out of the policyholders' funds, laying down overall investment policy and operational framework for investment operations of the Company. During the year, the Committee held four (4) meetings i.e. on April 29, 2017, July 25, 2017, November 07, 2017 and February 15, 2018. The details are as under:

<b>Sr. No.</b>	<b>Name of the member</b>	<b>No. of meetings attended</b>
1	Mr. Ravi Mehrotra*	0
2	Mr. Anuj Gulati	4
3	Mr. Pankaj Gupta	4
4	Mr. Nitin Katyal	4
5	Mr. D. V. S. Varma**	1
6	Mr. Manish Dodeja	4
7	Lt. Gen. (Retd.) S. S. Mehta***	4
8	Mr. Irvinder Singh Kohli****	3
9	Mr. Sanjay Sharma*****	0

\* Resigned w.e.f. April 12, 2017

\*\* Tenure Ended w.e.f. August 05, 2017

\*\*\*Appointed as a member w.e.f. April 27, 2017

\*\*\*\* appointed in Committee w.e.f. April 29, 2017

\*\*\*\*\* Appointed in Committee w.e.f. February 15, 2018

### **RISK MANAGEMENT COMMITTEE**

The Risk Management Committee has been functioning in accordance with Corporate Governance guidelines issued by IRDAI, the major role of the Committee is to assist the Board in effective operation of the risk management system. During the year the Committee held four (4) meetings i.e. on April 29, 2017, July 25, 2017, November 07, 2017 and February 15, 2018. The details are as under:

<b>Sr. No.</b>	<b>Name of the member</b>	<b>No. of meetings attended</b>
1	Mr. S. L. Mohan	4
2	Mr. Ravi Mehrotra*	0
3	Mr. Anuj Gulati	4
4	Mr. Shivinder Mohan Singh **	0
5	Mr. Daljit Singh***	0

\* resigned w.e.f. April 12, 2017

\*\*resigned w.e.f. February 02, 2018

\*\*\*Appointed w.e.f. February 15, 2018

### **POLICYHOLDERS PROTECTION COMMITTEE**

The Policyholders Protection Committee has been functioning in accordance with Corporate Governance guidelines issued by IRDAI, the major role of the Committee is to put in place the proper procedures and effective mechanism to address complaints and grievance of

policyholders. During the year, the Committee held four (4) meetings i.e. on April 29, 2017, July 25, 2017, November 07, 2017 and February 15, 2018, the details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Lt. Gen. (Retd.) S. S. Mehta	4
2	Mr. Anuj Gulati	4
3	Ms. Hiroo Mirchandani	4
4	Mr. Shivinder Mohan Singh*	0
5	Mr. Daljit Singh**	0

\*Resigned w.e.f. February 02, 2018

\*\* Appointed w.e.f. February 15, 2018

### **NOMINATION/ REMUNERATION COMMITTEE (formerly known as Remuneration /Compensation Committee)**

Nomination/ Remuneration Committee (formerly known as Remuneration/Compensation Committee) has been functioning pursuant to the Companies Act, 2013 and Corporate Governance guidelines issued by IRDAI. One of its major roles is to determine the remuneration and compensation packages for the CEO and approve the compensation philosophy for employees of the Company. During the year, the Committee held Four (4) meetings i.e. on April 29, 2017, July 25, 2017, November 07, 2017 and February 15, 2018, the details are as under:

Sr. No.	Name of the member	No. of meetings attended
1.	Lt. Gen. (Retd.) S.S. Mehta	4
2.	Mr. S. L. Mohan	4
3.	Mr. Shivinder Mohan Singh*	0
4	Mr. Daljit Singh**	0

\*Resigned w.e.f. February 02, 2018

\*\* Appointed w.e.f. February 15, 2018

### **ALLOTMENT COMMITTEE**

The major role of the Committee is to assist the Board in the allotment of shares. During the year the Committee held Three (3) meetings i.e. on July 05, 2017, August 18, 2017 and September 13, 2017. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Mr. Anuj Gulati	3
2	Mr. Shivinder Mohan Singh*	3
3	Mr. Daljit Singh**	0

\*Resigned w.e.f. February 02, 2018

\*\*Appointed w.e.f. February 15, 2018

Apart from the above mentioned Committee meetings, there was also an Independent Director's Meeting held on April 29, 2017 in accordance to the Schedule IV of the Companies Act, 2013.



## KEY MANAGERIAL PERSONNEL (KMP)



The Board in its meeting held on April 30, 2014 had designated Mr. Anuj Gulati, Managing Director & CEO, Mr. Pankaj Gupta, Chief Financial Officer and Mr. Pratik Kapoor, Company Secretary as KMPs of the Company in accordance to the Companies Act, 2013.

Further, the Board in its meeting held on July 26, 2016 had designated the following as the KMPs of the Company in accordance to the IRDAI revised Corporate Governance Guidelines:

S.No.	Name of Key Managerial Person (KMP)	Designation
1	Anuj Gulati	Managing Director & CEO
2	Pankaj Gupta	Chief Financial Officer
3	Ajay Shah	Chief Marketing Officer
4	Chandrakant Mishra	Head – Institutional Business
5	Manish Dodeja	Chief Risk Officer
6	Anoop Singh	Chief Compliance Officer
7	Sanjeev Meghani	Head –Human Resources
8	Nitin Katyal	Chief Investment Officer
9	Bhawana Jain	Chief of Internal Audit
10	Pratik Kapoor	Company Secretary
11	Irvinder Singh Kohli	Appointed Actuary*

\*IRDAI approval received on April 13, 2017

## DEPOSITS



Your Company has neither invited nor accepted any deposits from the public during the year under review with the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## LOANS AND INVESTMENT



Section 186 of the Companies Act, 2013 is not applicable on the Company being an Insurance Company.

## RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING LOANS BY IT FOR PURCHASE OF ITS SHARES.



The Company had not provided Loans to any person to purchase or subscribe for fully paid up shares in the Company or its holding Company.

## RELATED PARTY TRANSACTIONS



All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of 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 a potential conflict with the interest of the Company at large.

## **CORPORATE SOCIAL RESPONSIBILITY**



Section 135 of the Companies Act, 2013 is not applicable on the Company.

## **DIRECTOR'S APPOINTMENT POLICY AND POLICY ON REMUNERATION OF DIRECTORS**

With regard to the appointment and remuneration of Directors and KMPs of the Company, your Company has formulated the following policies in accordance with the Companies Act, 2013 along with applicable IRDAI Regulations and Guidelines. These Policies are reviewed, updated and approved by the Board from time to time:

- Policy on Directors Appointment – Annexure – A(i)
- Policy on Remuneration of Directors – Annexure – A(ii)
- KMPs appointment and Remuneration Policy – Annexure – A(iii)

The Nomination & Remuneration Committee (NRC) of the Company determines the criteria of appointment to the Board and is vested with the authority to identify candidates for appointment to the Board of Directors. The NRC, along with the Board, on continuous basis will review appropriate skills, characteristics and experience required by the Board as a whole and its individual members.

In evaluating the suitability of individual Board members, the NRC will take into account multiple factors, including general understanding of the business, education, professional background, personal achievements, etc. Few important criteria against which each prospective candidate will also be evaluated are personal and professional ethics, integrity and values.

The NRC will evaluate each prospective candidate with the objective of having a group that best enables the success of the company's business.

The form and amount of director remuneration will be recommended by the NRC to the Board for approval within the maximum amount permissible under the law. Employee directors will not be paid for Board membership in addition to their regular employee compensation.

The NRC will conduct a review of director compensation on a periodic basis to ensure directors of the Company are compensated effectively in a manner consistent with the strategy of the Company, and to further ensure that the Company will be able to attract, retain and reward those who contribute to the success of the Company.

The Board and Committee(s) members in its meeting held on April 26, 2017, evaluated the Board and the Committee(s). Also, in the Board Meeting, the Peer Evaluation was done on April 26, 2017.

### **VIGIL MECHANISM ESTABLISHED BY THE COMPANY**



The Board of Directors in its meeting held on October 31, 2014 adopted the Whistle Blower Policy of the Company. Lt. Gen. (Retd.) S. S. Mehta, Independent Director – Chairman of the Audit Committee was appointed as Ombudsman of the Company. The said policy was reviewed from time to time.

The Objective of the Policy:

- ✓ The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages disclosures by its stakeholders who have concerns about any suspected misconduct.
- ✓ The disclosures made under this policy could pertain to concerns about possible irregularities, governance weaknesses, financial reporting issues, violation of law, unethical practices or gross misconduct by the employees of the Company that can lead to financial loss and/ or reputational risk to the organization.

The Company had not received any case during the FY 2017-2018.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**



Your Company has formulated the Policy on Prevention of Sexual Harassment at workplace in line with the requirements of The Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set-up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary,

trainees) are covered under the Policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2017-2018

- a) No. of complaints received: 1
- b) No. of complaints disposed off: 1

### EMPLOYEES STOCK OPTION SCHEME



The details of the Employees Stock Option Scheme of the Company are as under for the financial year ended March 31, 2018:

PARTICULARS	DETAILS
Options granted	Nil
Options vested	1,30,49,637
Options exercised*	8,42,484
The total no. of shares arising as a result of exercise of option	8,42,484
Options lapsed	3757050
The exercise price	Rs. 10/-
Variation of terms of options	As per the various schemes approved by the members in the Annual General Meeting held on July 25, 2014
Money realized by exercise of options	84,24,840
Total no. of options in force	6,30,43,848
Employee wise details of options granted:	
(i) Key Managerial Personnel	NIL
Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year	Nil in 2017-18
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital( excluding outstanding warrants and conversations) of the company at the time of grant.	Nil

\* ESOPs issued in FY 2017-2018

## AUDITORS



In accordance to the IRDAI Corporate Governance guidelines issued on May 18, 2016, and Section 139 of Companies Act, 2013, the Company is required to appoint two statutory auditors on a joint basis at a General Meeting who shall hold office from the conclusion of that meeting till the conclusion of the sixth meeting and can be reappointed for maximum two terms of five consecutive years.

The Company in its Annual General Meeting held on August 26, 2017 had re-appointed M/s T. R. Chadha & Co. LLP and M/s S. P. Chopra & Co. as Joint Statutory Auditors of the Company for a period of five years, who have confirmed their eligibility and willingness to accept the office of the Statutory Auditors.

The Auditors have furnished a certificate of their eligibility for re-appointment under Section 141 of the Companies Act, 2013 and have also provided the declaration in Form A1 as prescribed by the IRDAI Corporate Governance guidelines indicating their willingness to hold the said office.

## AUDITORS' REPORT



The observations of the Auditors in their report read together with the Notes on Accounts are self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

## SECRETARIAL AUDIT



Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed PI & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Report of the Secretarial Audit Report is enclosed as **Annexure B**. The observation of the Auditors was updated to the Board. The Secretarial Auditors has observed that at the time of appointment of one of the directors of the Company, information in accordance to Para 1.2.5 of the Secretarial



Standard –II has not been captured in the Annual General Meeting notice dated April 29, 2017. The members are being informed that the Company had received all the details from the directors as required under Secretarial Standard –II and as mentioned in the Annual General Meeting Notice dated April 29, 2017. Further, all the relevant details relating to said directors passed through resolution of shareholders in the Annual General Meeting held on August 26, 2017 were also available at the Registered Office of the Company for Inspection, if required, by the shareholders of the Company. Further few disclosures as required under Secretarial Standard –II with regard to the said Director were already captured in the relevant Director's Report. Further, the Board took note of the same and advised to comply with the same henceforth.

## INTERNAL CONTROLS



Your Company has adequate system of Internal control in place.

Internal Financial Controls are part and parcel of process and system procedures. It is being monitored by the Company on frequent basis.

## RISK MANAGEMENT



With regard to Risk Management of the Company, your Company has formulated a Risk Management Committee in accordance to the IRDAI Corporate Governance Guidelines. Also, the Risk Policy of the Company has been approved and reviewed by the Board. Policy elaborates the detailed description of type of risk and its monitoring plan. As a process, key risk to which Company is exposed during the quarter is placed and discussed in the Risk Committee Meeting and the same is updated to the Board.

## DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors hereby state and confirm that:

- a) In the preparation of the annual accounts for the year ending March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;



- b) The directors had selected such accounting policies and applied them consistently and made judgements and estimations 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 profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) ~~The directors, in the case of a listed company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; (not applicable on our company)~~
- f) 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.

In addition, the Company has complied with the revised Secretarial Standards as issued by ICSI.

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in **Form MGT 9** is annexed herewith as **Annexure C**

### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS



There has been no order passed by any Regulator, Court or Tribunal against the Company which can impact its going concern status and company's operation in future.

## CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION



Your Company is not engaged in manufacturing activities and, therefore, the particulars as required under the Companies Act, 2013 regarding Conservation of Energy, Research and Development and Technology Absorption are not applicable.

## FOREIGN EXCHANGE EARNINGS AND OUTGO



The Foreign Exchange earned in terms of actual inflows during the year 2017-2018 is Rs. 0.30 Crore and the Foreign Exchange outgo in terms of actual outflows during the year 2017-2018 is Rs. 6.82 Crores.

## FORMAL ANNUAL EVALUATION



The Board of Directors in its meeting held on January 23, 2015 had adopted the Board Evaluation policy in accordance with Sections 134, 178 and Schedule IV of the Companies Act, 2013 ("Act") read with applicable Regulations under the Act. The Salient feature of the Policy is as follows:

The performance evaluation framework consists of three parts as per below:

- Performance Evaluation of Committees
- Performance Evaluation of the Board as a whole
- Performance Evaluation of Individual Directors

### Performance Evaluation of the Committees and Board as a whole

- The Board had carried out annual evaluation of its Committees and Board through self-evaluation Form which was circulated by the Board Designee prior to the Committee Meeting(s) and Board Meeting.
- The evaluation form consisted of certain criteria's on the basis of which individual Director's rated the respective Committee(s) and the Board.
- The Board Designee then tabulated the results and shared the summary report with the Committee(s) members and the Board. The summary report included the score against each of the evaluation criteria & verbatim comments without any names.
- The Committee(s) and the Board discussed the individual feedback, broad & common areas that were working well and those that needed attention.
- The Board Designee also presented the summary report to the Board of all the Committee(s) and the Board in the Annual Board Meeting.

### Performance Evaluation of Individual Directors

- The Board and NRC carried out performance evaluation of individual directors through peer evaluation of each Board member during the Annual Board Meeting itself. The Chairman of the Board initiated the evaluation process where each Board member evaluated each of their colleagues on the Board.
- During the Annual Board Meeting, each Board member was given an evaluation form to rate each of their colleagues on the Board. The Board members do not have to disclose his/her name on the evaluation form.
- Once all the evaluation forms were placed in designated envelopes, each Board member will have the opportunity to go through their own peer evaluation scores during the meeting itself.

Last year, the Board members and Committee members evaluated the Board and the Committee respectively and also evaluated the peer directors in the meeting of Board and its Committees held on April 26, 2018.

### PARTICULARS OF EMPLOYEES



The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company has been attached as **Annexure D**.

Further with regard to remuneration of KMPs in accordance to the IRDAI Corporate Governance Guidelines, the remuneration was discussed by the

Nomination & Remuneration Committee. The consolidated remuneration paid to KMPs defined as per IRDAI Corporate Governance Guidelines is Rs. 140,010,105.

### **CERTIFICATION UNDER IRDAI CORPORATE GOVERNANCE GUIDELINES**

As per the revised IRDAI Corporate Governance guidelines issued by IRDAI on May 18, 2016, Annual report of insurers will have a separate certification from the compliance officer in the prescribed format.

Accordingly, a Certificate for compliance of the Corporate Governance Guidelines is enclosed as **Annexure E**.

### **ACKNOWLEDGEMENT**

The Board wishes to place on record its sincere appreciation for the continued assistance, support and co-operation extended to your Company by the Shareholders, Insurance Regulatory and Development Authority of India, the auditors of your Company, Banks, other Government Authorities, Distribution Partners and Employees during the year under review and look forward to their continued support in the future.

**By order of the Board of Directors  
For Religare Health Insurance Company Limited**

sd/-

**Managing Director & CEO**

sd/-

**Director**

**Place: Gurugram  
Dated: April 26, 2018**

**RELIGARE HEALTH INSURANCE COMPANY LIMITED**



**Policy on Director's Appointment  
(RHICL/CP/MR/1.4)**

Prepared by:  
Corporate Manager –  
Human Resources

Reviewed by:  
Head – Human Resources

Proposed Approved by:  
Board of Directors

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## 1. PREAMBLE

The Board of Directors (the "Board") of Religare Health Insurance Company Limited (the "Company" or "RHICL"), has adopted the following policy and procedures with regard to appointment and remuneration of Directors as defined below. The Nomination and Remuneration Committee will review and may amend this policy from time to time.

This policy will be applicable to the Company. This policy is to regulate the appointment and remuneration of Directors (including the Independent Directors) based on the laws and regulations applicable on the Company. The remuneration for Whole-Time Directors/ CEO / Managing Director / Non-Executive Directors is covered under separate Policy i.e. Policy on Remuneration of Directors.

## 2. PURPOSE

This policy is framed as per requirement of Sections 134, 178, Schedule IV of the Companies Act, 2013 ("Act") read with applicable Regulations under the Act, and Regulations/ Guidelines/ Circulars including but not limited to Corporate Governance Guidelines issued by Insurance Regulatory and Development Authority and subsequent amendments thereof and intended to have a Board with diverse background and experience in areas that are relevant for the Company, to ensure the proper appointment and fairness in the remuneration process of the Directors of the Company and at the same time to attract and retain the best suitable talent on the Board of the Company.

## 3. DEFINITIONS

**"Nomination and Remuneration Committee (NRC)"** means Committee of Board of Directors of the Company constituted under provisions of Companies Act, 2013.

**"Board"** means Board of Directors of the Company

**"Policy"** means Director's Appointment and Remuneration Policy.

**"CEO"** means the Chief Executive Officer of the Company.

**"Whole-Time Director"** as defined under the Companies act, 2013

**"Non-Executive Director"** means a person who is not employee of the Company

**"Managing Director"** as defined under the Companies Act, 2013

**"Company"** means Religare Health Insurance Company Limited

## 4. POLICY

- 4.1. The Nomination & Remuneration Committee (NRC) determines the criteria of appointment to the Board and is vested with the authority to identify candidates for appointment to the Board of Directors. The NRC, along with the Board, on continuous basis will review appropriate skills, characteristics and experience required of the

Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in areas that are relevant for the company.

- 4.2. In evaluating the suitability of individual Board member, the NRC will take into account multiple factors, including general understanding of the business, education, professional background, personal achievements, etc. Few important criteria against which each prospective candidate will also be evaluated are personal and professional ethics, integrity and values. He / She should be willing to devote sufficient time and effort in carrying out their duties and responsibilities effectively & must have the aptitude to critically evaluate management's working as part of a team.
- 4.3. The NRC will evaluate each prospective candidate with the objective of having a group that best enables the success of the company's business.
- 4.4. The NRC may make independent / discreet references, where necessary well in time to verify the accuracy of the information furnished by the applicant.
- 4.5. The NRC shall scrutinize the declarations of intending applicants before the appointment / reappointment / election of Directors by the shareholders at the General Meetings.
- 4.6. Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the CEO / NRC will make an invitation to the new member to join the Board as a Director. On acceptance of the same, the new Director will be appointed by the Board.
- 4.7. The NRC may review the Deed of Covenant required to be entered by Directors at the time of appointment.
- 4.8. The form and amount of director remuneration will be recommended by the NRC to the Board for approval within the maximum amount permissible under the law. Employee directors will not be paid for Board membership in addition to their regular employee compensation. The rest of terms and conditions with regard to remuneration shall be governed by separate policy i.e. Policy on Remuneration of Directors.
- 4.9. The NRC shall also ensure that the proposed appointments / reappointments of Directors are in conformity with the Board approved policy on retirement / superannuation.

## 5. EFFECTIVE DATE OF POLICY

This Policy will come into effect from the date of approval of the same by the Board of Directors of Company.

### AMENDMENT HISTORY:

Version No.	Description	Date	Prepared By	Reviewed By	Approved By
1.1	Director's Appointment and Remuneration Policy	28 <sup>th</sup> July 14	Varidhi Gosain	Gaurav Bakshi	Board of Directors



<b>1.2</b>	Director's Appointment and Remuneration Policy	26 <sup>th</sup> July16	Amit Mishra	Sanjeev Meghani	Board of Directors
<b>1.3</b>	Policy on Director's Appointment (formerly known as Director's Appointment and Remuneration Policy)	24 <sup>th</sup> Oct16	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
<b>1.4</b>	Policy on Director's Appointment (formerly known as Director's Appointment and Remuneration Policy)	24 <sup>th</sup> Oct16	Abhimanyu Sodhi	Sanjeev Meghani	Proposed Approved By -Board of Directors

## RELIGARE HEALTH INSURANCE COMPANY LIMITED



### Policy on Remuneration of Directors (RHICL/CP/MR/1.2)

Prepared by:  
Corporate Manager –  
Human Resources

Reviewed by:  
Head – Human Resources

Approved by:  
Board of Directors

---

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## 1. INTRODUCTION

The Board of Directors (the “Board”) of Religare Health Insurance Company Limited (the “Company” or “RHICL”), has adopted the following policy and procedures with regard to remuneration of CEO (Chief Executive Officer) / MD (Managing Director) / WTD (Whole Time Director) / Non-Executive Director as defined below in line with guidelines provided by IRDA’s circular no. IRDA/F&A/GDL/LSTD/155/08/2016 dated August 05, 2016.

## 2. OBJECTIVES

To lay down the framework that governs determination of remuneration of CEO (Chief Executive Officer) / MD (Managing Director) / WTD (Whole Time Director) / Non-Executive Director. The policy lays down the indicative structure of remuneration (in terms of various components of compensation) and also links it to the key risks associated with business.

## 3. DEFINITIONS

“**Act**” includes the Companies Act, 2013, rules thereof and any such guidelines, circulars or rules issued by IRDAI with regard to remuneration of Directors from time to time.

“**Nomination and Remuneration Committee (NRC)**” means Committee of Board of Directors of the Company constituted under provisions of Companies Act, 2013.

“**Board**” means Board of Directors of the Company

“**Policy**” means Remuneration Policy for CEO (Chief Executive Officer) / MD (Managing Director) / WTD (Whole Time Director) and Non-Executive Directors.

“**Company**” means Religare Health Insurance Company Limited

“**CEO / MD / WTD / Non-Exe Director**” means Chief Executive Officer / Managing Director / Whole Time Director / Non-Executive Director of the Company as defined under the Companies act, 2013 or corporate governance guidelines by IRDAI.

“**Total Pay**” means fixed pay plus variable pay

“**Authority**” is Insurance Regulatory Development Authority of India

## 4. POLICY GUIDELINES FOR CEO / MD / WTD

### 4.1. GENERAL

- The remuneration / compensation / commission etc. to CEO / MD / WTD will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval
- No revision in remuneration shall be permitted till the expiry of one year from the date of earlier approval by the Authority

- In case the annual remuneration exceeds Rs. 1.5 crore (including all perquisites plus bonuses etc.), such excess shall be borne by the Shareholder's account
- No remuneration shall be paid to CEO / MD / WTD by any of the promoter / investor or by any group companies of the promoters' / investors' companies
- Other than accrued benefits (gratuity, pension etc.) severance pay shall not include any other payments without prior approval of the Board. Severance pay shall not include notice period pay.

#### 4.2. REMUNERATION COMPOSITION & GUIDELINES

- I. There should be a proper balance between fixed pay and variable pay.
- II. **Fixed Pay:** Fixed portion of remuneration shall be reasonable taking into account all relevant factors.
- III. **Variable Pay:** This may include any payment other than fixed pay
  - The variable pay could be in cash, stock linked instruments or mix of both. However, Employees Stock Option Plan (ESOP) is excluded from components of variable pay.
  - In case of deterioration in financial performance of the Company and other parameters specified in clause 4.4 of this policy, there may be contraction in the total amount of variable remuneration paid as may be decided by the NRC.
  - If at any point of time, the NRC is of the opinion that the variable pay forms a substantial portion of the total pay, the NRC may recommend pro-rated deferment of the portion of the variable pay that exceeds the "substantial" amount of the total pay over a period of not less than 3 years. Variable pay under deferral arrangement should vest no faster than on pro rata basis.
  - The NRC may decide on the "substantial" amount as mentioned above, from time to time based on business performance.
  - There should be proper balance between the cash and stock / share components (other than ESOP) in the variable pay in case the variable remuneration contains stock or equity share linked instruments (other than ESOP).
- IV. **ESOP:** For the purpose of this policy and based on IRDAI guidelines referenced in the above mentioned circular no., ESOP will not be considered as part of total remuneration. For CEO, ESOP shall continue to be separately governed by CEO Stock Option Scheme – 2014.

In case the shares of the insurance company are offered as ESOPs to CEO / MD / WTD, then:

- If CEO / MD / WTD is one of the promoters / investors of directly related to the promoters, then the same will be governed by provisions of SEBI (Issue of Sweat Equity) Regulations, 2002 as amended from time to time except those relating to pricing of shares. The manner of pricing of shares shall be disclosed upfront to the Authority.

#### **4.3. CLAWBACK**

- In case of deferral remuneration, in the event of any negative trend in the parameters specified in Clause 4.4. of this policy during the vesting period, any unvested / unpaid portions of the deferred payment are to be clawed back. However, while exercising this provision, due consideration may be given to the actual / realized performance of the Company as may be decided by the NRC.
- The NRC may at any appropriate time, may put in place a mechanism to link clawback to such parameters as mentioned in point no. 4.4 of this policy.

#### **4.4. RECOMMENDATION FOR REMUNERATION REVISION**

While recommending the revision in remuneration to the Board for approval, the Nomination and Remuneration Committee shall consider Company's standing in light of risks associated with the following parameters:

- Persistency
- Solvency
- Grievance Redressal
- Expenses of Management
- Claim Ratio
- Claim repudiations
- Overall Compliance status
- Net-Worth Position of the Company
- Asset Under Management (AUM)

### **5. POLICY GUIDELINES FOR NON- EXECUTIVE DIRECTORS**

- 5.1. The NRC may recommend to the Board to pay remuneration in the form of profit related commission to the Non-Executive Directors, subject to the Company making profits. Such remuneration, however, shall not exceed Rs. 10 Lakhs per annum for each such Director.
- 5.2. Sitting Fees and reimbursement of expenses: In addition to the Director's remuneration mentioned in clause 5.1, the NRC may recommend to the Board to pay sitting fees to the Non-Executive Directors and reimburse their expenses for participation in the Board and other meetings, subject to compliance with the provisions of the Companies Act, 2013.

### **6. POLICY GUIDELINES FOR INDEPENDENT DIRECTORS**

- 6.1. The NRC may recommend to the Board to pay Independent Directors remuneration/commission as per applicable provisions of laws for the time being in force and within the overall limits as defined under the Act.

- 6.2. The NRC may recommend to the Board to pay Independent Directors sitting fees for attending the meetings of the Board or Committees, thereof either personally or through Video Conference or other audio visual means or for any other purpose whatsoever as may be decided by the Board of Directors.
- 6.3. The aforesaid sitting fees payable shall be subject to applicable tax deduction at source. In addition to the above, Independent Directors will be entitled to reimbursement of all expenses for participation in the Board and other meetings.
- 6.4. The Independent Directors shall not be entitled to any ESOP as defined under the Act.

## 7. POLICY REVIEW

The Nomination & Remuneration Committee will review this policy and recommend necessary changes to the Board.

## 8. AMENDMENTS

The Board of Directors on its own and / or as per the recommendations of Remuneration Committee can amend this policy, as deemed fit from time to time.

## 9. Effective Date of the Policy

This Policy will come into effect from the date of approval of the same by the Board of Directors of the Company.

### AMENDMENT HISTORY:

Version No.	Description	Date	Prepared By	Reviewed By	Approved By
1.0	Policy on Remuneration of Directors	24 <sup>th</sup> Oct16	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
1.2	Policy on Remuneration of Directors	07 <sup>th</sup> Nov 17	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors

## RELIGARE HEALTH INSURANCE COMPANY LIMITED



### KMP's Appointment and Remuneration Policy (RHICL/CP/MR/1.4)

Prepared by:  
Corporate Manager –  
Human Resources

Reviewed by:  
Head – Human Resources

Proposed Approved by:  
Board of Directors

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## 1. PREAMBLE

The Board of Directors (the "Board") of Religare Health Insurance Company Limited (the "Company" or "RHICL"), has adopted the following policy and procedures with regard to appointment and remuneration of Key Managerial Personnel's ("KMP") as defined below. The Nomination and Remuneration Committee will review and may amend this policy from time to time.

This policy will be applicable to the Company. This policy is to regulate the appointment and remuneration of KMP's based on the laws and regulations applicable on the Company.

## 2. PURPOSE

This policy is framed as per requirement of Sections 178 and 203 of the Companies Act, 2013 ("Act") read with applicable Regulations under the Act, Corporate Governance Guidelines issued by Insurance Regulatory and Development Authority of India ("IRDAI") and subsequent amendments thereof and intended to ensure the proper appointment and fairness in the remuneration process of the KMP's of the Company and at the same to attract and retain the best suitable talent for the Company.

## 3. DEFINITIONS

**"Nomination and Remuneration Committee"** means Committee of Board of Directors of the Company constituted under provisions of Companies Act, 2013 and Corporate Governance Guidelines issued by IRDAI

**"Board"** means Board of Directors of the Company

**"HR Head"** means person heading the Human Resource Department of the Company

**"Key Managerial Personnel"** means key managerial personnel as defined under the Companies Act, 2013 and includes

S. No.	Key Managerial Position	Current Incumbent
1	Chief Executive Officer	Anuj Gulati
2	Chief Financial Officer	Pankaj Gupta
3	Company Secretary	Pratik Kapoor
4	Chief Marketing Officer	Ajay Shah
5	Head - Institutional Business	Chandrakant Mishra
6	Chief Risk Officer	Manish Dodeja
7	Appointed Actuary	Irvinder Singh Kohli
8	Chief Compliance Officer	Anoop Singh
9	Head - Human Resources	Sanjeev Meghani
10	Chief Investment Officer	Nitin Katyal
11	Chief of Internal Audit	Bhawana Jain

“**Policy**” means KMP's Appointment and Remuneration Policy

“**Company**” means Religare Health Insurance Company Limited

“**CEO**” means the Chief Executive Officer of the Company

“**Managing Director / Whole-Time Director**” as defined under the Companies Act, 2013

## 4. POLICY

- 4.1. The authority to identify right candidates for appointment of KMP's is vested with the CEO. The CEO along with HR Head will identify candidates internally or externally and will propose to Nomination and Remuneration Committee (“NRC”). The NRC will put forth its recommendation for the appointment and remuneration of KMP before the board for its approval. The remuneration will be proposed in consistent with the strategy of the company and in line with the comparable market & internal remuneration benchmarks.
- 4.2. The NRC will scrutinize the declarations of intending applicants before the appointment of KMPs in the Form KMP -1, as prescribed under the Corporate Governance guidelines issued by IRDAI or any another form and manner as may be prescribed under any act or guidelines, from time to time.
- 4.3. The NRC while scrutinizing the declaration of applicants, may make independent/discreet references, wherever necessary, well in time to verify the accuracy of the information furnished by the applicant and then recommend Appointment of KMPs to the Board for further action.
- 4.4. The NRC while considering the KMPs appointment will also ensure that KMPs shall not hold simultaneously another position as KMP in the Company.
- 4.5. The NRC needs to ensure that the position of any KMPs should not be vacant for more than 180 days.
- 4.6. The NRC will also recommend the termination of KMPs to the Board for further action.
- 4.7. In case of CEO's/Managing Director/Whole-time Director appointment, NRC will initiate the process of identifying the new Chief Executive Officer. After identification of the candidate, NRC will propose the candidature to Board for its approval for appointment. Remuneration of CEO/Managing Director/Whole-time Director shall be governed under another Policy named as Policy on Remuneration of Directors.

## 5. EFFECTIVE DATE OF POLICY

This Policy will come into effect from the date of approval of the same by the Board of Directors of Company.

### AMENDMENT HISTORY:

Version No.	Description	Date	Prepared By	Reviewed By	Approved By
1.1	KMP's Appointment and Remuneration Policy	28 <sup>th</sup> July 14	Varidhi Gosain	Gaurav Bakshi	Board of Directors
1.2	KMP's Appointment and Remuneration Policy	26 <sup>th</sup> July16	Amit Mishra	Sanjeev Meghani	Board of Directors
1.3	KMP's Appointment and Remuneration Policy	24 <sup>th</sup> Oct16	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
1.4	KMP's Appointment and Remuneration Policy	07 <sup>th</sup> Nov 17	Abhimanyu Sodhi	Sanjeev Meghani	Proposed Approved by- Board of Directors

**FORM NO. MR - 3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

To,

The Members,

**Religare Health Insurance Company Limited**

(U66000DL2007PLC161503)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Religare Health 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, 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, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Religare Health Insurance Company Limited ("the Company") for the financial year ended on March 31, 2018, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(not applicable)**

**CORPORATE OFFICE**

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- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(not applicable)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(not applicable)**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(not applicable)**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014; **(not applicable)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(not applicable)**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable)** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable)**
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(not applicable)**
- (vi) I further report that with respect to the compliance of the below mentioned laws, we have relied on the compliance system prevailing in the Company and on the basis of representation received from the management:
  - a) Insurance Regulatory and Development Authority of India Act, 1999 and rules/regulations made thereunder;
  - b) Insurance Act, 1938 and Rules/Regulations made thereunder;
  - c) Applicable Labour Laws;
  - d) Applicable Direct and Indirect Tax Laws

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We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s), if applicable; (**not applicable**)

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

- **Details of Mr. Shivinder Mohan Singh, who was appointed in the Annual General Meeting held on August 26, 2017 as a Director were not disclosed in the notice calling the meeting, in accordance with para 1.2.5 of Secretarial Standard – 2.**

**We further report that:**

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

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**We further report that** during the audit period the Company has issued 69,237,900 equity shares of Rs. 10 each/- amounting to Rs. 692,379,000 on right issue basis in due compliance of the Act.

**For PI & Associates,  
Company Secretaries**

  
**Ankit Singhi**  
**Partner**



**ACS No.: 20642**  
**C P No.: 16274**

Date: April 25, 2018

Place: New Delhi

***The report is to be read along with Annexure A***

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Annexure A''

To,  
The Members,  
**Religare Health Insurance Company Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For PI and Associates,  
Company Secretaries**

  
**Ankit Singhi**  
Partner  
ACS No.: 20642  
C P No.: 16274



Date: April 25, 2018  
Place: New Delhi

**CORPORATE OFFICE**

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**EXTRACT OF ANNUAL RETURN****as on the financial year ended on March 31, 2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies

(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

CIN	U66000DL2007PLC161503
Registration Date	2 <sup>nd</sup> April 2007
Name of the Company	Religare Health Insurance Company Limited
Category / Sub- Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	5 <sup>th</sup> Floor, 19, Chawla House, Nehru Place, New Delhi-110019  Tel No. 011-66250048
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd.  Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032 P : (040) 6716 2222

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code* of the Product/ service	% to total turnover of the company

1.	Division -65 Insurance, reinsurance and pension funding, except compulsory social security  Non-life insurance: This class includes provision of insurance services other than life insurance such as accident and fire insurance, health insurance, travel insurance, property insurance, motor, marine, aviation and transport insurance, pecuniary loss and liability insurance	6512/ Health Insurance	100%
----	--	------------------------	------

\*NIC Code 2008

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	RELIGARE ENTERPRISES LIMITED	L74899DL1984PLC146935	Holding	90.78%*	2(46)

\*approx. rounded off to 2 decimal points.

The Company does not have any subsidiary or associate company.

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

#### i. Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year <sup>#</sup>				No. of shares held at the end of the year <sup>#</sup>				% Change during the year <sup>#</sup>
	De-mat	Physical	Total	% of total shares <sup>#</sup>	De-mat	Physical	Total	% of total shares <sup>#</sup>	
A. Promoters									

<b>(1) Indian</b>									
a) Individual / HUF	-----	-----	-----	-----	-----	----	-----	-----	-----
b) Central Govt.	-----	-----	-----	-----	-----	----	-----	-----	-----
c) State Govt.(s)	-----	-----	-----	-----	-----	----	-----	-----	-----
d) Bodies Corporate									
<i>Religare Enterprises Limited along with its nominees</i>	472,534,260	-	472,534,260	90.05	540,009,810	-	540,009,810	90.78	0.73
e) Bans/FI									
<b>Sub -Total (A)(1):</b>	<b>472,534,260</b>	<b>-</b>	<b>472,534,260</b>	<b>90.05</b>	<b>540,009,810</b>	<b>-</b>	<b>540,009,810</b>	<b>90.78</b>	<b>0.73</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-----	-----	-----	-----	-----	----	-----	-----	-----
b) other - individuals	-----	-----	-----	-----	-----	----	-----	-----	-----
c) Bodies Corporate	-----	-----	-----	-----	-----	----	-----	-----	-----
d) Banks / FI	-----	-----	-----	-----	-----	----	-----	-----	-----
e) Any Other...	-----	-----	-----	-----	-----	----	-----	-----	-----
<b>Sub-Total (A)(2)</b>	<b>-----</b>	<b>-----</b>	<b>-----</b>	<b>-----</b>	<b>-----</b>	<b>----</b>	<b>-----</b>	<b>-----</b>	<b>-----</b>
<b>Total Shareholding of Promoters(A) = (A)(1)+(A)(2)</b>	<b>472,534,260</b>	<b>-</b>	<b>472,534,260</b>	<b>90.05</b>	<b>540,009,810</b>	<b>-</b>	<b>540,009,810</b>	<b>90.78</b>	<b>0.73</b>
<b>B. Public Shareholding</b>	-----	-----	-----	-----	-----	----	-----	-----	-----
<b>(1) Institutions</b>	-----	-----	-----	-----	-----	----	-----	-----	-----
a) Mutual Funds /UTI	-----	-----	-----	-----	-----	----	-----	-----	-----
b) Banks/ FI									
i. <i>Union Bank of India</i>	26,201,202	-	26,201,202	4.99	26,950,152		26,950,152	4.53	(0.46)
ii. <i>Corporati on bank of India</i>	23,750,000	-	23,750,000	4.53	24,428,900		24,428,900	4.11	(0.42)
c) Central Govt.	-----	-----	-----	-----	-----	----	-----	-----	-----
d) Venture Capital Funds	-----	-----	-----	-----	-----	----	-----	-----	-----

e) Venture Capital Funds	-----	-----	-----	-----	-----	----	-----	-----	-----
f) Insurance Companies	-----	-----	-----	-----	-----	----	-----	-----	-----
g) FIs	-----	-----	-----	-----	-----	----	-----	-----	-----
h) Foreign Venture Capital Funds	-----	-----	-----	-----	-----	----	-----	-----	-----
i) Any Other	-								
<b>Sub-total (B)(1):</b>	<b>49,951,202</b>	<b>---</b>	<b>49,951,202</b>	<b>9.52</b>	<b>51,379,052</b>	<b>-----</b>	<b>51,379,052</b>	<b>8.64</b>	<b>(0.88)</b>
(2) Non-Institutions	-----	-----	-----	-----	-----	----	-----	-----	-----
a) Bodies Corporate	-----	-----	-----	-----	-----	----	-----	-----	-----
I) Indian	-----	-----	-----	-----	-----	----	-----	-----	-----
II) Overseas	-----	-----	-----	-----	-----	----	-----	-----	-----
b) Individuals									
i. Individual Shareholders holding nominal share capital upto 1 Lakh	-----	-----	-----	-----	-----	-----	-----	-----	-----
ii. Individual Shareholders holding nominal share capital in excess of 1 lakh									
1. Mr. Gurvinder Juneja	73,506	-----	73,506	0.01	84,006	-----	84,006	0.01	0.00
2. Mr. Kamlesh Dangi	411,787	-----	411,787	0.08	411,787	-----	411,787	0.07	(0.01)
3. Mr. Pervez Bajan	349,990	-----	349,990	0.07	400,240	-----	400,240	0.07	0.00
4. Mr. Sunil Kumar Garg	460,000	-----	460,000	0.09	849,001	-----	849,001	0.14	0.05
5. Mr. Anil Saxena	745,091	-----	745,091	0.14	1,049,591	-----	1,049,591	0.18	0.04
6. Mr. Atul Gupta	223,641	-----	223,641	0.04	255,891	-----	255,891	0.04	0.00
7. Mr. Namit Sabharwal	-----	-----	-----	-----	390,483	-----	390,483	0.07	0.07
c) Others (specify)									

i.	Shares held by Pakistani Citizens vested with the Custodian of Enemy Property	-----	-----	-----	-----	-----	---	-----	-----	-----
ii.	Other Foreign Nationals	-----	-----	-----	-----	-----	---	-----	-----	-----
iii.	Foreign Bodies	-----	-----	-----	-----	-----	---	-----	-----	-----
iv.	NRI/ OCBs	-----	-----	-----	-----	-----	---	-----	-----	-----
v.	Clearing Members / Clearing House	-----	-----	-----	-----	-----	---	-----	-----	-----
vi.	Trusts	-----	-----	-----	-----	-----	---	-----	-----	-----
vii.	Limited Liability Partnershi p	-----	-----	-----	-----	-----	---	-----	-----	-----
viii.	Foreign Portfolio Investor ( Corporate )	-----	-----	-----	-----	-----	---	-----	-----	-----
ix.	Qualified Foreign Investor	-----	-----	-----	-----	-----	---	-----	-----	-----
<b>Sub-Total (B)(2)</b>		<b>2,264,015</b>		<b>2,264,015</b>	<b>0.43</b>	<b>3,440,999</b>		<b>3,440,999</b>	<b>0.58</b>	<b>0.15</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>		<b>52,215,217</b>		<b>52,215,217</b>	<b>9.95</b>	<b>54,820,051</b>		<b>54,820,051</b>	<b>9.22</b>	<b>(0.73)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		-----	-----	-----	-----	-----	---	-----	-----	-----
<b>Grand Total (A+B+C)</b>		<b>524,749,477</b>	-----	<b>524,749,477</b>	<b>100</b>	<b>594,829,861</b>	-----	<b>594,829,861</b>	<b>100</b>	<b>0.00</b>

<sup>#</sup>percentage of shares rounded off to the nearest 2 decimal point

(ii) **Shareholding of Promoters**

Shareholder's Name	Shareholding at the beginning of the year <sup>#</sup>			Shareholding at the end of the year		
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares
Religare Enterprises Limited	472,534,260	90.05%	Nil	540,009,810	90.78%	Nil
<b>Total</b>	472,534,260	90.05%	Nil	540,009,810	90.78%	Nil
<sup>#</sup> % of shares rounded off to the nearest 2 decimal point						

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

Shareholding at the beginning of the year			Cumulative Shareholding of the Company	
	No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the company
At the beginning of the year				
<ul style="list-style-type: none"> <li>Religare Enterprises Limited</li> </ul>	472,534,260	90.05%	472,534,260	
<u>During the year, the following shares allotted:</u>				
<ul style="list-style-type: none"> <li>On September 13, 2017 (on right issue basis)</li> </ul>	13,507,350		486,041,610	
<ul style="list-style-type: none"> <li>On March 28, 2018 (On right issue basis)</li> </ul>	53,968,200		540,009,810	
<u>At the end of the year</u>				
<ul style="list-style-type: none"> <li>Religare Enterprises Limited</li> </ul>	540,009,810	90.78%	540,009,810	90.78%



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

For each of the top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the company <sup>#</sup>	No. of Shares	% of total shares of the company <sup>#</sup>
Union Bank of India	2,62,01,202	4.99%	2,69,50,152	4.53%
Corporation Bank	2,37,50,000	4.53%	2,44,28,900	4.11%
Mr. Anil Saxena	7,45,091	0.14%	10,49,591	0.18%
Mr. Sunil Kumar Garg	4,60,000	0.09%	8,49,001	0.14%
Mr. Kamlesh Dangi	4,11,787	0.08%	4,11,787	0.07%
Mr. Pervez Bajan	3,49,990	0.07%	4,00,240	0.07%
Mr. Namit Sabharwal	-	-	3,90,483	0.07%
Mr. Atul Gupta	2,23,641	0.04%	2,55,891	0.04%
Mr. Gurvinder Juneja	73,506	0.01%	84,006	0.01%

<sup>#</sup> rounded off to the nearest 2 decimal points

**v. Shareholding of Directors and Key Managerial Personnel:**

For each of the Directors and KMP	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	Name	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the Company
At the beginning of the year	Nil	Nil	Nil	Nil	Nil
Date wise increase/ Decrease in shareholding during the year specifying the reasons for increase/decrease (eg. allotment/transfer/bonus/sweat equity etc)	Nil	Nil	Nil	Nil	Nil
At the end of the Year	Nil	Nil	Nil	Nil	Nil

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (as on March 31, 2018)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
i)Principal Amount ii)Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
<ul style="list-style-type: none"> <li>• Addition</li> <li>• Reduction</li> </ul>				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(as on March 31, 2018)

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

S No.	Particulars of Remuneration	Name of MD/WTG/ Manager	Total Amount
		Mr. Anuj Gulati	

1.	<b>Gross salary</b>  <b>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</b>  <b>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961</b>  <b>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961</b>	Rs. 4,61,97,943/-  Rs. 9,900/-  Nil	
2.	<b>Stock Options</b>	No options granted during FY 2017-18	
3.	<b>Sweat Equity</b>		
4.	<b>Commission</b> - as % of profit - others, specify...		
5.	<b>Others, please specify</b>		
	<b>Total (A)</b>		
	<b>Ceiling as per the Act</b>		

**B. Remuneration to other directors:**

S.No	Particulars of Remuneration	Name of the Directors			Total Amount
		<b>Mr. S.L. Mohan</b>	<b>Lt. Gen.(Retd) S.S. Mehta</b>	<b>Ms. Hiroo Mirchandani</b>	
	<b>Independent Directors Fees for attending Committee meetings and Board Meetings</b>	Rs. 6,40,000	Rs. 8,00,000	4,80,000	19,20,000
	<b>Commission</b>	Nil	Nil	Nil	Nil
	<b>Others, please specify</b>	Nil	Nil	Nil	Nil
	<b>Total (B)(1)</b>	Rs. 6,40,000	Rs. 8,00,000	4,80,000	19,20,000
	<b>Other Non-Executive Directors Fees for attending Board Meetings/</b>	Nil	Nil	Nil	Nil

	Committee Meetings Commissions Others, Please specify				
	Total (B)(2)	Nil	Nil	Nil	Nil
	Total B = (B)(1) + (B)(2)	Rs. 6,40,000	Rs. 8,00,000	4,80,000	19,20,000

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S no.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 4,61,97,943/-  Rs. 9,900/-  Nil	Rs. 18,31,736/-  Nil  Nil	Rs. 1,72,40,992/-  Rs. 39,600/-  Nil
2.	Stock Options			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify			
	Total (A)			
	Ceiling as per the Act	Governed by Section 34A of Insurance Act	Nil	Nil

**Note: - The above Gross & Perquisites are on the basis of amount paid in the said financial year.**

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**By order of the Board of Directors  
For Religare Health Insurance Company Limited**

**Sd/-  
Director**

**Sd/-  
Managing Director & CEO**

Place: Gurugram  
Dated: April 26, 2018

April 26, 2018

**“Certification for compliance of the Corporate Governance Guidelines”**

I, Pratik Kapoor, hereby certify that Religare Health Insurance Company Limited has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Sd/-

**Pratik Kapoor**

**Company Secretary**

**T. R. Chadha & Co. LLP**  
**Chartered Accountants**  
Suit No. 11A, 2<sup>nd</sup> Floor,  
Gobind Mansion, H-Block,  
Connaught Circus,  
New Delhi-110001

**S. P. Chopra & Co.**  
**Chartered Accountants**  
31-F, Connaught Place  
New Delhi-110001

## **INDEPENDENT AUDITORS' REPORT**

### **To The Members of Religare Health Insurance Company Limited**

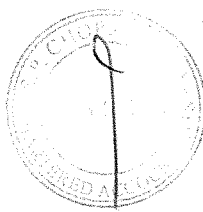
#### **1. Report on the Financial Statements**

We have audited the accompanying financial statements of **Religare Health Insurance Company Limited** ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, and the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account for the year then ended, and a summary of Significant Accounting Policies and other explanatory information.

#### **2. Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (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 Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the requirements of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, and the orders / directions and circulars issued by the Insurance Regulatory and Development Authority of India (IRDAI) in this regard, to the extent applicable and in the manner so required.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.



**Contd..p/2**



**3. Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Companies Act, 2013 and the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Companies Act, 2013 and the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

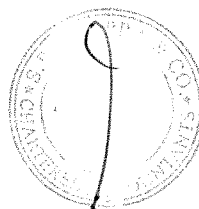
An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**4. Opinion**

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

- a. in the case of the Balance Sheet, of the State of affairs of the Company as at 31<sup>st</sup> March, 2018;
- b. in the case of the Revenue Account, of the deficit for the year ended on that date;
- c. in the case of the Profit and Loss Account, of the loss for the year ended on that date; and



- d. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

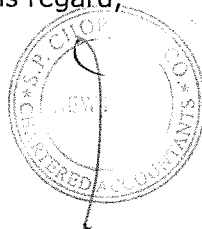
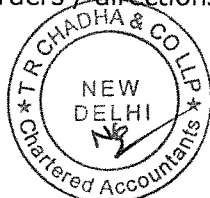
**5. Other Matter**

The estimate of claims Incurred But Not Reported [IBNR] and claims Incurred But Not Enough Reported [IBNER] has been certified by the Company's appointed actuary. The appointed actuary has certified to the Company that the assumptions used for such estimation are appropriate and are in accordance with the requirements of the IRDAI and Actuarial Society of India in concurrence with IRDAI. We have relied upon on the Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

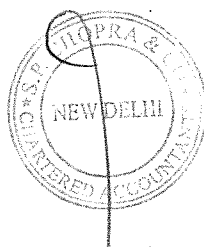
Our opinion is not qualified in respect of the above matter.

**6. Report on other legal and regulatory requirements**

1. As the Company is not covered by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, no report is given on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, read with Section 143 (3) of the Companies Act, 2013, 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 found them to be satisfactory;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. As the Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches and other offices of the Company;
  - d. The Balance Sheet, the Revenue Account, the Profit & Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;
  - e. In our opinion, the Investments have been valued in accordance with the provisions of the Insurance Act 1938, as amended by the Insurance Laws (Amendment) Act, 2015, Insurance Regulatory and Development Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and orders / directions issued by IRDAI in this regard;



- f. In our opinion, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and with the accounting principles, as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, and the orders / directions issued by the IRDAI in this regard;
- g. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders / directions issued by IRDAI in this regard;
- h. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a Director in terms of Section 164 (2) of the Companies Act, 2013.
- i. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 1 of Notes to accounts to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
7. We have issued a separate certificate in "Annexure B" of even date on the matters specified in paragraph 4 of Schedule C to the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 issued by IRDAI.




**T. R. Chadha & Co. LLP**

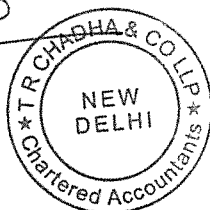
**S.P. Chopra & Co.**

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8. Further, on the basis of our examination of books and records of the Company and according to the information and explanations given to us, we certify to the best of our knowledge and belief that:
- a. We have reviewed the Management Report attached to the financial statements for the year ended 31<sup>st</sup> March, 2018 and have found no apparent mistake or material inconsistencies with the financial statements; and
  - b. Based on information and explanations received during the normal course of our audit, management representations and compliance certificates submitted to the Board by the officers of the Company charged with the compliance and the same being noted by the Board, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDAI.

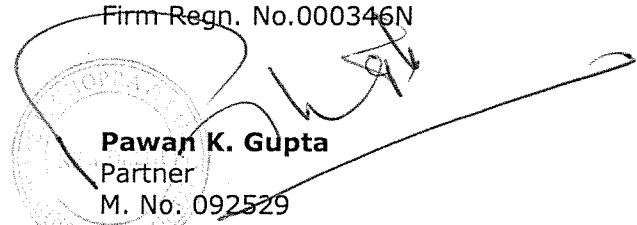
**For and on behalf of**  
**T. R. Chadha & Co. LLP**  
Chartered Accountants  
Firm Regn. No. 006711N/N500028

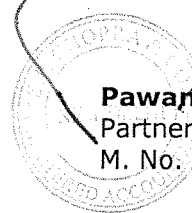
  
**Neena Goel**  
Partner  
M. No. 057986



Place: New Delhi  
Date : 26.04.2018

**For and on behalf of**  
**S. P. Chopra & Co.**  
Chartered Accountants  
Firm Regn. No. 000346N

  
**Pawan K. Gupta**  
Partner  
M. No. 092529



**T. R. Chadha & Co. LLP**  
**Chartered Accountants**  
Suit No. 11A, 2<sup>nd</sup> Floor,  
Gobind Mansion, H-Block,  
Connaught Circus,  
New Delhi-110001

**S. P. Chopra & Co.**  
**Chartered Accountants**  
31-F, Connaught Place  
New Delhi-110001

**Annexure 'A', as referred to in paragraph 2(i) of 'Report on Other Legal and Regulatory Requirement' Section to the Independent Auditor's Report of even date on the Financial Statements of Religare Health Insurance Company Limited**

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

We have audited the internal financial controls over financial reporting of **Religare Health Insurance Company Limited** ("the Company") as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

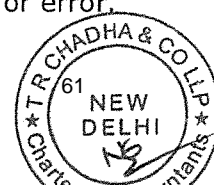
**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

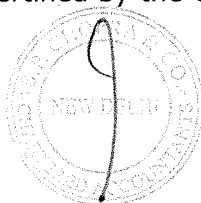
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matter**

The estimate of claims Incurred But Not Reported [IBNR] and claims Incurred But Not Enough Reported [IBNER] has been certified by the Company's appointed actuary as per



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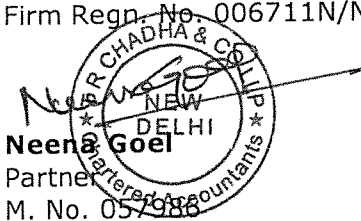
**T. R. Chadha & Co. LLP**

**S.P. Chopra & Co.**

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the Regulations and has been relied upon by us as mentioned in para 5 of our Audit Report on the financial statements for the year ended 31<sup>st</sup> March, 2018. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the adequacy and operating effectiveness of the internal controls over the quantum and accuracy of the aforesaid liabilities.

**For and on behalf of**  
**T. R. Chadha & Co. LLP**  
Chartered Accountants  
Firm Regn. No. 006711N/N500028

  
**Neena Goel**  
Partner  
M. No. 057988

Place: New Delhi  
Date : 26.04.2018.

**For and on behalf of**  
**S. P. Chopra & Co.**  
Chartered Accountants  
Firm Regn. No.000346N

  
**Pawan K. Gupta**  
Partner  
M. No. 092529



**T. R. Chadha & Co. LLP**  
**Chartered Accountants**  
Suit No. 11A, 2<sup>nd</sup> Floor,  
Gobind Mansion, H-Block,  
Connaught Circus,  
New Delhi-110001

**S. P. Chopra & Co.**  
**Chartered Accountants**  
31-F, Connaught Place  
New Delhi-110001

**Annexure 'B', as referred to in paragraph 7 of the Independent Auditor's  
Report of even date on the Financial Statements of  
Religare Health Insurance Company Limited**

**AUDITORS' CERTIFICATE**

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by **Religare Health Insurance Company Limited** ('the Company') for the year ended 31<sup>st</sup> March, 2018, we certify that:

1. We have verified the cash balances maintained by the Company, to the extent considered necessary. As regards the securities relating to the Company's investments as at 31<sup>st</sup> March, 2018, the same have been verified on the basis of the dematerialized statement/confirmations received from the custodian;
2. The Company is not a trustee of any trust; and
3. No part of the assets of the policyholders' funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015, relating to the application and investments of the policyholders' funds; and

This certificate is issued to comply with requirement of paragraph 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 read with regulation 3 of such Regulations, and may not be suitable for any other purpose.

**For and on behalf of**  
**T. R. Chadha & Co. LLP**  
Chartered Accountants  
Firm Regn. No. 006711N/N500028

  
**Neena Goel**  
Partner  
M. No. 057986

Place: New Delhi  
Date : 26.04.2018

**For and on behalf of**  
**S. P. Chopra & Co.**  
Chartered Accountants  
Firm Regn. No.000346N

  
**Pawan K. Gupta**  
Partner  
M. No. 092529

# Religare Health Insurance Company Limited

IRDA Registration number 148 dated 26 April, 2012



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FORM B-RA

## MISCELLANEOUS BUSINESS REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2018

S. No	Particulars	Schedule	For the year ended 31st March, 2018	For the year ended 31st March, 2017
			(₹ '000)	(₹ '000)
1	Premiums earned (Net)	1	6,796,746	4,840,017
2	Profit/ loss on sale/redemption of investments		30,906	29,908
3	Others		-	-
4	Interest, dividend & rent – Gross		406,633	301,794
	<b>TOTAL (A)</b>		<b>7,234,285</b>	<b>5,171,719</b>
1	Claims incurred (Net)	2	3,532,103	2,445,090
2	Commission	3	(413,167)	(430,256)
3	Operating expenses related to Insurance business	4	4,400,816	3,209,386
	<b>TOTAL (B)</b>		<b>7,519,752</b>	<b>5,224,220</b>
	<b>Operating profit/(loss) from Miscellaneous business C= (A - B)</b>		<b>(285,467)</b>	<b>(52,501)</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' account		(285,467)	(52,501)
	Transfer to catastrophe reserve		-	-
	Transfer to other reserves		-	-
	<b>TOTAL (C)</b>		<b>(285,467)</b>	<b>(52,501)</b>
	Significant Accounting Policies and Notes to Accounts	16		

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

As per our report of even date attached

For T.R. Chadha & Co. LLP  
Chartered Accountants  
Firm Regn No. : 006711N/N500028

For S.P. Chopra & Co.  
Chartered Accountants  
Firm Regn No. : 000346N

For and on behalf of the Board of Directors

Neena Goel  
Partner  
Membership No. : 057986

Pawan K Gupta  
Partner  
Membership No. : 092529

Shamsher Singh Mehta  
Director  
(DIN : 02201929)

Anuj Gulati  
Managing Director & CEO  
(DIN : 00278955)

Daljit Singh  
Additional Director  
(DIN : 00135414)

Pankaj Gupta  
Chief Financial Officer

Place : Gurugram  
Date : 26th April, 2018

Pratik Kapoor  
Company Secretary

FORM B-PL

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2018**

S. No	Particulars	Schedule	For the year ended 31st March, 2018 (₹ '000)	For the year ended 31st March, 2017 (₹ '000)
1	<b>OPERATING PROFIT/(LOSS)</b>			
	(a) Fire Insurance		-	-
	(b) Marine Insurance		-	-
	(c) Miscellaneous Insurance		(285,467)	(52,501)
2	<b>INCOME FROM INVESTMENTS</b>			
	(a) Interest, Dividend & Rent – Gross		161,794	115,283
	(b) Profit on sale of investments		163	1,833
	Less: Loss on sale of investments		-	-
3	<b>OTHER INCOME</b>		-	-
	<b>TOTAL (A)</b>		<b>(123,510)</b>	<b>64,615</b>
4	<b>PROVISIONS (Other than taxation)</b>			
	(a) For diminution in the value of investments		-	-
	(b) For doubtful debts		-	-
	(c) Others		-	-
5	<b>OTHER EXPENSES</b>			
	(a) Expenses other than those related to Insurance Business		39,187	43,055
	(b) Bad debts written off		-	-
	(c) Foreign Exchange Loss/(Gain)		(179)	42
	<b>TOTAL (B)</b>		<b>39,008</b>	<b>43,097</b>
	Profit / (Loss) Before Tax		<b>(162,518)</b>	<b>21,518</b>
	Provision for Taxation		-	-
	Profit / (Loss) After Tax		<b>(162,518)</b>	<b>21,518</b>
	<b>APPROPRIATIONS</b>			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or Other Accounts (to be specified)		-	-
	Balance of profit/ loss brought forward from last year/period		(3,018,778)	(3,040,296)
	<b>Balance carried forward to Balance Sheet</b>		<b>(3,181,296)</b>	<b>(3,018,778)</b>
	<b>Significant Accounting Policies and Notes to Accounts</b>	16		

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

As per our report of even date attached

For T.R. Chadha & Co. LLP  
Chartered Accountants  
Firm Regn No. : 006711N/NS00028

Neena Goel  
Partner  
Membership No. : 057986

For S.P. Chopra & Co.  
Chartered Accountants  
Firm Regn No. : 000346N

Pawan K Gupta  
Partner  
Membership No. : 092529

For and on behalf of the Board of Directors

Shamsher Singh Mehta  
Director  
(DIN : 02201929)

Anuj Gulati  
Managing Director & CEO  
(DIN : 00278955)

Daljit Singh  
Additional Director  
(DIN : 00135414)

Pankaj Gupta  
Chief Financial Officer

Place : Gurugram  
Date : 26th April, 2018

Pratik Kapoor  
Company Secretary

RECEIPT AND PAYMENT ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	(₹ '000)	(₹ '000)
<b>Cash Flows from the Operating activities:</b>		
Premium received from policyholders, including advance receipts	13,289,764	8,455,783
Other receipts	-	-
Payments to the re-insurers, net of commissions and claims	(136,171)	(244,376)
Payments to co-insurers, net of claims recovery	30,721	59,067
Payments of claims	(3,933,968)	(2,452,183)
Payments of commission and brokerage	(1,551,668)	(898,997)
Payments of other operating expenses	(4,355,231)	(3,165,126)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	(16,725)	(34,890)
Income taxes paid (Net)	0	(33)
Service tax / GST paid	(1,302,741)	(726,275)
Other payments	-	-
<b>Cash flows before extraordinary items</b>	<b>2,023,981</b>	<b>992,970</b>
Cash flow from extraordinary operations	-	-
<b>Net cash flow from Operating activities</b>	<b>2,023,981</b>	<b>992,970</b>
<b>Cash flows from Investing activities:</b>		
Purchase of fixed assets (including capital advances)	(166,210)	(181,342)
Proceeds from sale of fixed assets	69	61
Purchases of investments	(4,257,339)	(1,829,212)
Loans disbursed	-	-
Sales of investments	787,510	522,071
Repayments received	-	-
Rents/Interests/ Dividends received	541,532	329,610
Investments in money market instruments and in liquid mutual funds (Net)	257,348	(208,800)
Expenses related to investments	-	-
<b>Net cash flow from Investing activities</b>	<b>(2,837,091)</b>	<b>(1,367,611)</b>
<b>Cash flows from Financing activities:</b>		
Proceeds from issuance of share capital	700,804	496,795
Proceeds from borrowing	-	-
Repayments of borrowing	-	-
Interest/dividends paid	-	-
<b>Net cash flow from Financing activities</b>	<b>700,804</b>	<b>496,795</b>
Effect of foreign exchange rates on cash and cash equivalents, net	179	(42)
<b>Net increase in cash and cash equivalents:</b>	<b>(112,127)</b>	<b>122,111</b>
Cash and cash equivalents at the beginning of the year	358,580	236,469
<b>Cash and cash equivalents at the end of the year</b>	<b>246,453</b>	<b>358,580</b>

As per our report of even date attached

For T.R. Chadha & Co. LLP  
Chartered Accountants  
Firm Regn No. : 006731N/NS09028

Neena Goel  
Partner  
Membership No. : 057986

For S.P. Chopra & Co.  
Chartered Accountants  
Firm Regn No. : 000346N

Pawan K Gupta  
Partner  
Membership No. : 092529

For and on behalf of the Board of Directors

Shamsher Singh Mehta  
Director  
(DIN : 02201929)

Anuj Gulati  
Managing Director & CEO  
(DIN : 00278955)

Daljit Singh  
Additional Director  
(DIN : 00135414)

Pankaj Gupta  
Chief Financial Officer

Place : Gurugram  
Date : 26th April, 2018

Company Secretary

**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012


**FORM B-BS**
**BALANCE SHEET AS AT 31st MARCH, 2018**

Particulars	Schedule	As at 31st March, 2018 (₹ '000)	As at 31st March, 2017 (₹ '000)
<b>SOURCES OF FUNDS</b>			
Share Capital	5	5,948,299	5,247,495
Reserves And Surplus	6	-	-
Fair Value Change Account		(6,497)	-
Borrowings	7	-	-
<b>TOTAL</b>		<b>5,941,802</b>	<b>5,247,495</b>
<b>APPLICATION OF FUNDS</b>			
Investments			
- Shareholders	8	2,591,337	1,796,917
- Policyholders	8A	6,687,859	4,271,145
Loans	9	-	-
Fixed Assets	10	459,137	456,842
<b>CURRENT ASSETS</b>			
Cash and Bank Balances	11	246,453	358,580
Advances and Other Assets	12	1,008,663	610,468
<b>Sub-Total (A)</b>		<b>1,255,116</b>	<b>969,048</b>
Current Liabilities	13	4,208,139	2,679,826
Provisions	14	4,024,804	2,585,409
<b>Sub-Total (B)</b>		<b>8,232,943</b>	<b>5,265,234</b>
<b>Net Current Assets (C) = (A - B)</b>		<b>(6,977,827)</b>	<b>(4,296,187)</b>
Miscellaneous Expenditure (To The Extent Not Written Off or Adjusted)	15	-	-
Debit Balance In Profit and Loss Account		3,181,296	3,018,778
<b>TOTAL</b>		<b>5,941,802</b>	<b>5,247,495</b>
Significant Accounting Policies and Notes to Accounts	16		
Contingent liabilities	16.1		

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

As per our report of even date attached

For T.R. Chadha & Co. LLP  
Chartered Accountants  
Firm Regn No. : 006711N/N500028

Neena Goel  
Partner  
Membership No. : 057986

For S.P. Chopra & Co.  
Chartered Accountants  
Firm Regn No. : 000346N

Pawan K Gupta  
Partner  
Membership No. : 092529

For and on behalf of the Board of Directors

Shamsher Singh Mehta  
Director  
(DIN : 02201929)

Daljit Singh  
Additional Director  
(DIN : 00135414)

Anuj Gulati  
Managing Director & CEO  
(DIN : 00278955)

Pankaj Gupta  
Chief Financial Officer

Pratibha Kapoor  
Company Secretary

Place : Gurugram  
Date : 26th April, 2018

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1

PREMIUM EARNED [NET]

Particulars	For the Year ended 31st March, 2018				For the Year ended 31st March, 2017			
	Health	PA	Other	Total	Health	PA	Other	Total
	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
Premium from direct business written *	9,317,507	1,036,730	561,889	10,916,125	6,369,792	544,048	346,828	7,260,668
Add: Premium on reinsurance accepted	191,680	-	-	191,680	-	-	-	-
Less : Premium on reinsurance ceded	2,546,237	233,395	109,458	2,889,090	1,727,808	187,888	72,924	1,988,620
<b>Net Premium</b>	<b>6,962,951</b>	<b>803,335</b>	<b>452,430</b>	<b>8,218,715</b>	<b>4,641,984</b>	<b>356,160</b>	<b>273,904</b>	<b>5,272,047</b>
Adjustment for changes in reserve for unexpired risks	1,161,272	225,110	35,587	1,421,969	427,742	(12,613)	16,902	432,031
<b>Total Premium Earned (Net)</b>	<b>5,801,679</b>	<b>578,225</b>	<b>416,843</b>	<b>6,796,746</b>	<b>4,214,242</b>	<b>368,773</b>	<b>257,001</b>	<b>4,840,017</b>

\* Net of Service tax / GST



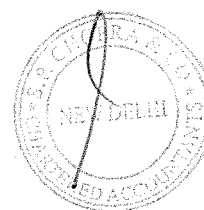
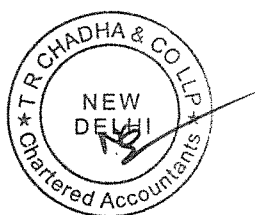
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 2

CLAIMS INCURRED [NET]

Particulars	For the Year ended 31st March, 2018				For the Year ended 31st March, 2017			
	Health	PA	Other	Total	Health	PA	Other	Total
	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
<b>Claims paid</b>								
Direct	4,025,338	93,296	109,915	4,228,549	2,348,197	124,458	71,083	2,543,738
Add : Re-insurance accepted	34,313	-	-	34,313	-	-	-	-
Less : Re-insurance Ceded	874,030	18,539	27,183	919,751	504,933	27,183	10,248	542,363
<b>Net Claims Paid</b>	<b>3,185,621</b>	<b>74,757</b>	<b>82,733</b>	<b>3,343,110</b>	<b>1,843,264</b>	<b>97,275</b>	<b>60,835</b>	<b>2,001,375</b>
Add: Claims Outstanding at the end of the year *	884,765	119,172	148,094	1,152,031	788,342	94,397	80,300	963,038
Less: Claims Outstanding at the beginning of the year*	788,342	94,397	80,300	963,038	400,537	81,298	37,488	519,323
<b>Total Claims Incurred</b>	<b>3,282,044</b>	<b>99,532</b>	<b>150,527</b>	<b>3,532,103</b>	<b>2,231,069</b>	<b>110,374</b>	<b>103,647</b>	<b>2,445,090</b>

\*Net of Reinsurance



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 3

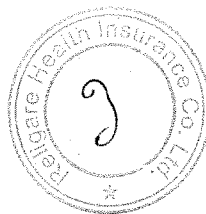
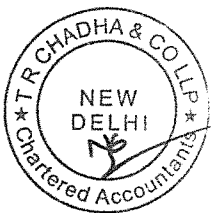
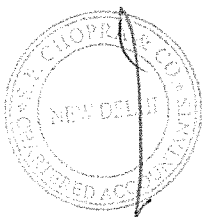
COMMISSION

Particulars	For the Year ended 31st March, 2018				For the Year ended 31st March, 2017			
	Health	PA	Other	Total	Health	PA	Other	Total
	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
Commission paid								
Direct	1,182,001	152,834	94,332	1,429,167	781,382	80,476	26,832	888,690
Add: Re-insurance Accepted	51,027	-	-	51,027	-	-	-	-
Less: Commission on Re-insurance Ceded	1,682,120	143,953	67,288	1,893,361	1,151,475	120,977	46,494	1,318,946
Net Commission	(449,091)	8,881	27,043	(413,167)	(370,094)	(40,501)	(19,662)	(430,256)

BREAK- UP OF THE EXPENSES(GROSS) INCURRED TO PROCURE BUSINESS

Agents	493,497	19,448	69,258	582,204	260,119	8,189	13,085	281,393
Brokers*	391,042	16,973	23,981	431,996	262,168	16,354	13,161	291,684
Corporate Agency	297,462	116,412	1,092	414,967	259,094	55,933	586	315,613
Referral	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
<b>TOTAL (B)</b>	<b>1,182,001</b>	<b>152,834</b>	<b>94,332</b>	<b>1,429,167</b>	<b>781,381</b>	<b>80,476</b>	<b>26,832</b>	<b>888,690</b>

\* Includes Web-Aggregator.



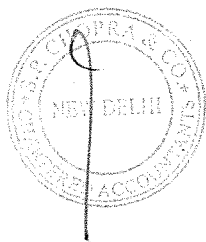


SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

S. No	Particulars	For the Year ended 31st March, 2018				For the Year ended 31st March, 2017			
		Health	PA	Other	Total	Health	PA	Other	Total
		(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
1	Employees' remuneration & welfare benefits	1,843,956	212,742	119,814	2,176,513	1,276,162	97,914	75,301	1,449,377
2	Travel, conveyance and vehicle running expenses	242,662	27,997	15,767	286,425	127,203	9,760	7,506	144,468
3	Training expenses	-	-	-	-	-	-	-	-
4	Rents, rates & taxes	80,172	9,250	5,209	94,631	70,667	5,422	4,170	80,259
5	Repairs	32,354	3,733	2,102	38,189	28,860	2,214	1,703	32,777
6	Printing & stationery	41,418	4,779	2,691	48,888	39,127	3,002	2,309	44,437
7	Communication	65,033	7,503	4,226	76,762	55,944	4,292	3,301	63,537
8	Legal & professional charges	508,921	58,716	33,068	600,705	354,488	27,198	20,917	402,603
9	Auditors' fees, expenses etc	-	-	-	-	-	-	-	-
	(a) as auditor	2,029	234	132	2,395	1,776	136	105	2,017
	(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	-	-	-	-	-	-	-	-
10	Advertisement and publicity	669,508	77,243	43,502	790,254	608,892	46,718	35,928	691,537
11	Interest & bank charges	18,652	2,152	1,212	22,016	13,664	1,048	806	15,518
12	Others	-	-	-	-	-	-	-	-
	(a) Electricity and Water	26,500	3,057	1,722	31,279	18,792	1,442	1,109	21,342
	(b) Medical Charges-Policy Issuance	17,877	-	-	17,877	17,327	-	-	17,327
	(d) Other	53,057	6,121	3,447	62,625	105,973	8,131	6,253	120,357
13	Depreciation	127,640	14,726	8,294	150,659	108,379	8,315	6,395	123,089
14	Service Tax /GST Account	1,354	156	88	1,598	651	50	38	740
	<b>TOTAL</b>	<b>3,731,132</b>	<b>428,408</b>	<b>241,275</b>	<b>4,400,816</b>	<b>2,827,902</b>	<b>215,644</b>	<b>165,840</b>	<b>3,209,386</b>



**Religare Health Insurance Company Limited**

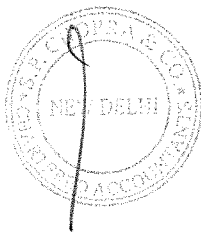
IRDA Registration number 148 dated 26 April, 2012

*Ab Health Hamesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 5****SHARE CAPITAL**

S. No	Particulars	As at 31st March, 2018 (₹ '000)	As at 31st March, 2017 (₹ '000)
1	<b>Authorised Capital</b>		
	800,000,000 Equity Shares of ₹ 10 each (Previous Year 800,000,000 Equity Shares of ₹ 10 each)	8,000,000	8,000,000
2	<b>Issued Capital</b>		
	594,829,861 Equity Shares of ₹ 10 each (Previous Year 524,749,477 Equity Shares of Rs 10 each)	5,948,299	5,247,495
3	<b>Subscribed Capital</b>		
	594,829,861 Equity Shares of ₹ 10 each (Previous Year 524,749,477 Equity Shares of Rs 10 each)	5,948,299	5,247,495
4	<b>Called-up Capital</b>		
	594,829,861 Equity Shares of ₹ 10 each (Previous Year 524,749,477 Equity Shares of Rs 10 each)	5,948,299	5,247,495
	Less : Calls unpaid	-	-
	Add : Equity Shares forfeited (Amount originally paid up)	-	-
	Less : Par Value of Equity Shares bought back	-	-
	Less : Preliminary Expenses	-	-
	Less : Expenses including commission or brokerage on Underwriting or subscription of shares	-	-
	<b>TOTAL</b>	<b>5,948,299</b>	<b>5,247,495</b>

**Notes:**

- 1 Out of the above, 540,009,810 (Previous Year 472,534,260 Equity Shares of ₹ 10 each are held by the holding company "Religare Enterprises Limited", along with its nominees.
- 2 The Holding Company vide agreement dated 9th April, 2017 had agreed to divest its entire shareholding to a consortium of prospective investors. The said agreement has expired, however, prospective investors have invoked arbitration. In the meantime, on the petition of the prospective investors, the Hon'ble High Court of Delhi has rejected the plea to extend the agreement, however, it has directed the Holding Company not to sale its shares in the Company till /further order of the Court.

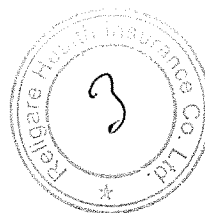
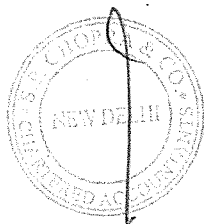


**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012

*Ab Health Hamesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 5A****PATTERN OF SHAREHOLDING****[As certified by the Management]**

Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
· Indian	591,388,862	99.4%	522,485,462	99.6%
· Foreign	-	0.0%	-	0.0%
Others	3,440,999	0.6%	2,264,015	0.4%
<b>TOTAL</b>	<b>594,829,861</b>	<b>100.0%</b>	<b>524,749,477</b>	<b>100.0%</b>

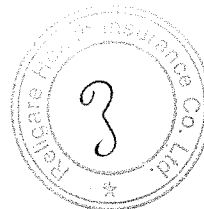
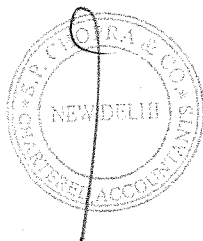


**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012

*Ab Health Hamesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 6****RESERVES AND SURPLUS**

S. No	Particulars	As at 31st March, 2018	As at 31st March, 2017
		(₹'000)	(₹'000)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium	-	-
4	General Reserves	-	-
	Less: Debit balance in Profit and Loss Account	-	-
	Less: Amount utilized for Buy-back	-	-
5	Catastrophe Reserve	-	-
6	Other Reserves (to be specified)		
	Employee Stock option Reserve	-	-
7	Balance of Profit in Profit & Loss Account	-	-
	<b>TOTAL</b>	-	-

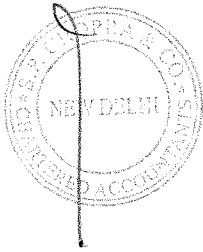


**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012

*Ab Health Homesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 7****BORROWINGS**

S. No	Particulars	As at 31st March, 2018 (₹'000)	As at 31st March, 2017 (₹'000)
1	Debentures/ Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	<b>TOTAL</b>	-	-



**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012

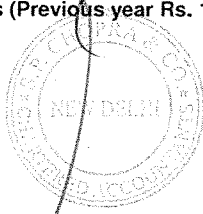

*Ab Health Hamesha*
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**
**SCHEDULE - 8**
**INVESTMENTS - SHAREHOLDERS**

S. No	Particulars	Shareholders	
		As at 31st March, 2018	As at 31st March, 2017
		(₹ '000)	(₹ '000)
	<b>LONG TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	414,736	259,227
2	Other Approved Securities	187,810	135,643
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	28,375	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	397,081	50,000
	(e) Other Securities	-	-
	- Fixed Deposits	210,200	249,600
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	-
	- Infrastructure Bonds	612,531	101,787
	- Housing Bonds	451,203	303,491
5	Other than Approved Investments	50,000	50,000
	<b>SHORT TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	50,001	-
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	50,000	248,762
	(e) Other Securities	-	-
	- Fixed Deposits	139,400	373,400
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	-
	- Infrastructure Bonds	-	5,000
	- Housing Bonds	-	20,007
5	Other than Approved Investments	-	-
	<b>TOTAL</b>	<b>2,591,337</b>	<b>1,796,917</b>

	<b>INVESTMENTS</b>		
1	In India	2,591,337	1,796,917
2	Outside India	-	-
	<b>TOTAL</b>	<b>2,591,337</b>	<b>1,796,917</b>

**Note:**  
 Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs. 2,562,961 Thousands. (Previous year Rs. 1,796,917 Thousands). Market value of such investments as at 31st March, 2018 is Rs. 2,546,715 Thousands (Previous year Rs. 1,808,160 Thousands)



**Religare Health Insurance Company Limited**

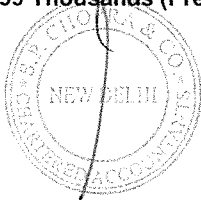
IRDA Registration number 148 dated 26 April, 2012


*Ab Health Hamesha*
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**
**SCHEDULE - 8A**
**INVESTMENTS - POLICY-HOLDERS**

S. No	Particulars	Policy-Holders	
		As at 31st March, 2018	As at 31st March, 2017
		(₹ '000)	(₹ '000)
	<b>LONG TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	1,562,117	999,972
2	Other Approved Securities	715,413	510,894
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	1,260,917	817,481
	(e) Other Securities	-	-
	- Fixed Deposits	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	-
	- Infrastructure Bonds	1,403,006	552,983
	- Housing Bonds	550,393	391,293
5	Other than Approved Investments	-	-
	<b>SHORT TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	15,501	50,022
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	271,379	379,800
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	371,864	250,137
	(e) Other Securities	-	-
	- Fixed Deposits	246,800	157,200
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	-
	- Infrastructure Bonds	100,183	50,000
	- Housing Bonds	190,288	111,365
5	Other than Approved Investments	-	-
	<b>TOTAL</b>	<b>6,687,859</b>	<b>4,271,145</b>
	<b>INVESTMENTS</b>		
1	In India	6,687,859	4,271,145
2	Outside India	-	-
	<b>TOTAL</b>	<b>6,687,859</b>	<b>4,271,145</b>

**Notes:**

Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs. 6,687,859 thousands (Previous year Rs. 4,271,145 Thousands). Market value of such investments as at 31st March, 2018 is Rs. 6,734,299 Thousands (Previous year Rs. 4,399,167 Thousands)



# Religare Health Insurance Company Limited

IRDA Registration number 148 dated 26 April, 2012



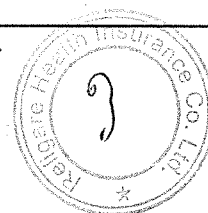
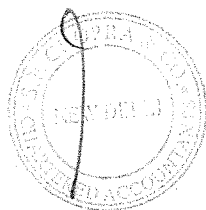
*Ab Health Hamesha*

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

### SCHEDULE - 9

#### LOANS

S. No	Particulars	As at 31st March, 2018 (₹ '000)	As at 31st March, 2017 (₹ '000)
1	<b>SECURITY-WISE CLASSIFICATION</b>		
	Secured		
	(a) On mortgage of property		
	(aa) In India		
	(bb) Outside India		
	(b) On Shares, Bonds, Govt. Securities		
	(c) Others		
	Unsecured		
	<b>TOTAL</b>	-	-
2	<b>BORROWER-WISE CLASSIFICATION</b>		
	(a) Central and State Governments		
	(b) Banks and Financial Institutions		
	(c) Subsidiaries		
	(d) Industrial Undertakings		
	(e) Others		
	<b>TOTAL</b>	-	-
3	<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>	-	-
4	<b>MATURITY-WISE CLASSIFICATION</b>		
	(a) Short Term		
	(b) Long Term		
	<b>TOTAL</b>	-	-





SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 10

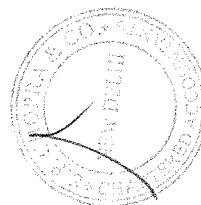
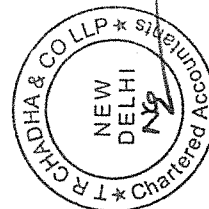
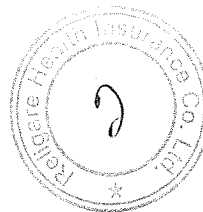
FIXED ASSETS

(₹ '000)

Particulars	As at 1st April, 2017		Cost/ Gross Block		As at 31st March, 2018		Upto 1st April, 2017		For the period		On Sales / Adjustments		Upto 31st March, 2018		Net Block	
			Additions	Deductions											As at 31st March, 2018	As at 31st March, 2017
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangibles-Computer Software	608,116	-	116,454	-	-	724,570	273,212	-	106,181	-	-	-	379,393	-	345,177	334,904
Land-Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Property	21,808	-	-	851	-	20,957	7,525	-	1,943,63	-	703	-	8,766	-	12,191	14,284
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	6,801	-	1,636	3	-	8,434	5,704	-	1,826	-	-	-	7,527	-	907	1,097
Information Technology Equipment	153,643	-	48,745	1,188	-	201,200	89,656	-	32,150	-	1,154	-	120,652	-	80,548	63,987
Vehicles	7,388	-	-	-	-	7,388	5,349	-	1,155,89	-	-	-	6,505	-	883	2,039
Office Equipment	25,699	-	9,605	477	-	34,827	11,767	-	7,402	-	454	-	18,716	-	16,112	13,932
Others (Specify nature)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL - Current Year	823,456	-	176,439	2,519	-	997,376	393,213	-	150,659	-	2,314	-	541,559	-	455,819	430,242
Previous Year	637,788	-	189,896	4,228	-	823,456	273,057	-	123,089	-	2,933	-	393,213	-	430,243	-
Work in progress	26,599	-	3,319	26,599	-	3,319	-	-	-	-	-	-	-	-	3,319	26,599
Grand Total: Current Year	850,055	-	179,758	29,117	-	1,000,695	393,213	-	150,659	-	2,314	-	541,559	-	459,137	456,842
Previous Year	660,496	-	216,494	26,935	-	850,055	273,058	-	123,089	-	2,933	-	393,213	-	456,842	-

Note:

1) Lease hold Property consists of civil and other improvements at premises taken on long term lease by Company



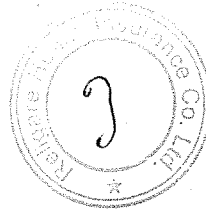
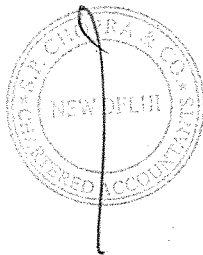
**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012

*Ab Health Hamesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 11****CASH AND BANK BALANCES**

S. No	Particulars	As at 31st March, 2018 (₹ '000)	As at 31st March, 2017 (₹ '000)
1	Cash (including cheques, drafts and stamps)	34,932	40,228
2	Bank Balances		
	(a) Deposit Accounts^		
	(aa) Short-term (due within 12months)	10,634	15,050
	(bb) Others	9,797	-
	(b) Current Accounts	191,090	303,302
	(c) Others		
3	Money at Call and Short Notice		
	(a) With Banks		
	(b) With other Institutions		
4	Others		
	<b>TOTAL</b>	<b>246,453</b>	<b>358,580</b>
	Balances with non-scheduled banks included in 2 and 3 above	NIL	NIL

^ Investment related Fixed deposits have been reported under Investments instead of cash and Bank balance.



# Religare Health Insurance Company Limited

IRDA Registration number 148 dated 26 April, 2012



Ab Health Hamesha

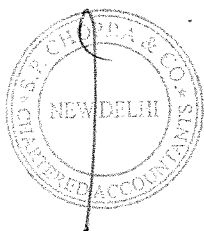
## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

### SCHEDULE - 12

#### ADVANCES AND OTHER ASSETS

S. No	Particulars	As at 31st March, 2018	As at 31st March, 2017
		(₹ '000)	(₹ '000)
	<b>ADVANCES</b>		
1	Reserve deposits with ceding companies	-	-
2	Application money for investments	-	-
3	Prepayments	33,833	23,612
4	Advances to directors/officers	-	-
5	Advance tax paid and taxes deducted at source (Net of provision for taxation)	6,861	5,218
6	Others		
	(a) Advances to suppliers	7,438	2,094
	(b) Other Advances	4,149	2,666
	<b>TOTAL (A)</b>	<b>52,282</b>	<b>33,590</b>
	<b>OTHER ASSETS</b>		
1	Income accrued on investments *	355,431	302,492
2	Outstanding premiums	82,067	82,082
3	Agents balances	13,285	2,602
4	Foreign agencies balances	-	-
5	Due from other entities carrying on insurance business (including re-insurers)	115,386	81,372
6	Due from subsidiaries/holding companies	585	55
7	Deposit with RBI (Pursuant to section 7 of Insurance Act, 1938)	-	-
8	Others		
	(a) Rent Deposits & other assets	70,906	57,459
	(b) Service tax / GST unutilized credit	305,530	42,727
	(c) Unclaimed amount of Policy Holder (Investment)	13,190	8,090
	<b>TOTAL (B)</b>	<b>956,381</b>	<b>576,878</b>
	<b>TOTAL (A+B)</b>	<b>1,008,663</b>	<b>610,468</b>

\* Income accrued on investments includes interest on deposits also.



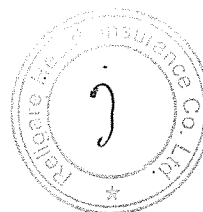
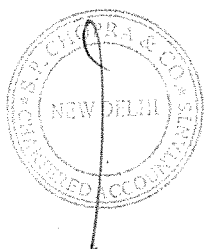
**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012

*Ab Health Hamesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 13****CURRENT LIABILITIES**

S. No	Particulars	As at 31st March, 2018	As at 31st March, 2017
		(₹ '000)	(₹ '000)
1	Agents' balances	151,694	86,866
2	Balance due to other insurance companies	145,783	116,887
3	Deposits held on re-insurance ceded	-	-
4	Premiums received in advance	539,497	197,102
5	Unallocated premium	296,293	379,528
6	Sundry creditors	1,448,992	858,526
7	Due to subsidiaries/holding company	4,387	8,384
8	Claims outstanding*	1,152,031	963,038
9	Due to officers/directors	-	-
10	Unclaimed amount of Policy Holder	14,408	7,167
11	Others	-	-
	(a) Tax deducted payable	48,668	40,224
	(b) Other statutory dues	11,051	6,692
	(c) Service Tax /GST Liability	386,159	5,639
	(d) Other Liabilities	9,176	9,773
	<b>TOTAL</b>	<b>4,208,139</b>	<b>2,679,826</b>

\*Net of Reinsurance

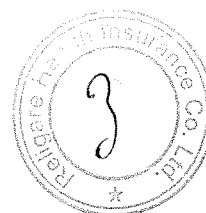
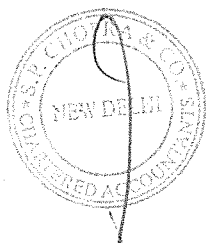


**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012

*Ab Health Hamesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 14****PROVISIONS**

S. No	Particulars	As at 31st March, 2018 (₹ '000)	As at 31st March, 2017 (₹ '000)
1	Reserve for unexpired risk	3,957,975	2,536,006
2	For taxation (less advance tax paid and tax deducted at source)	-	-
3	For proposed dividends	-	-
4	For dividend distribution tax	-	-
5	Others	-	-
	(a) For employee benefits	66,262	49,184
	(b) Lease equalisation reserve	567	219
	<b>TOTAL</b>	<b>4,024,804</b>	<b>2,585,409</b>



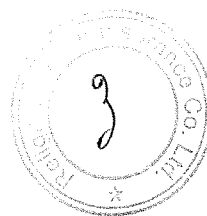
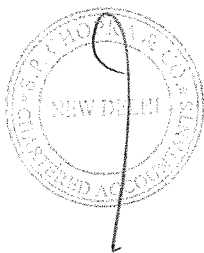
**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012

*Ab Health Hamesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 15****MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

S. No	Particulars	As at 31st March, 2018	As at 31st March, 2017
		(₹'000)	(₹'000)
1	Discount allowed in issue of shares/ debentures	-	-
2	Others	-	-
	<b>TOTAL</b>	-	-



Schedule 16

Significant Accounting Policies forming part of the financial statements for the year ended 31st March, 2018

**1. Background**

Religare Health Insurance Company Limited ("the Company") was incorporated on 2<sup>nd</sup> April, 2007 as a company under the Companies Act, 2013 (erstwhile the Companies Act, 1956) ('the Act'). The Company is licensed since 26<sup>th</sup> April, 2012 by the Insurance Regulatory and Development Authority ('IRDA') for carrying out the business of underwriting General insurance relating to Health segment, which comprises Health, Personal Accident and Travel insurance. These products are distributed through individual agents, brokers, corporate agents, online and Company's sales force.

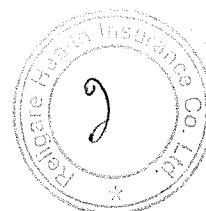
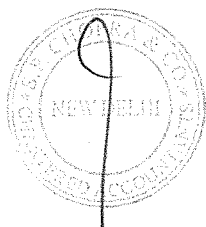
**2. Basis of Preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting in accordance with the generally accepted accounting principles unless otherwise specifically stated and in accordance with the statutory requirements prescribed under the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('The Regulations') and orders and directions issued by the Insurance Regulatory and Development Authority ('IRDA') in this behalf, the Companies Act, 2013 ('The Act') to the extent applicable and comply with the applicable notified accounting standards pursuant to the Companies (Accounting Standards) Rules, 2006, which continues to apply under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and current practices prevailing within the Insurance Industry in India.

**3. Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, as on the Balance Sheet date, revenue and expenses for the year ended and disclosure of contingent liabilities as on the Balance Sheet date.

The estimates and assumptions used in these financial statements are based on management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates is recognized prospectively in the current and future periods.





Schedules forming part of financial statements

**4. Significant Accounting Policies**

**4.1. Revenue recognition**

**Premium income**

Premium written including reinstatement premium is recognized as income over the contract period or period of risk, whichever is appropriate, on a gross basis, net of service tax / goods and service tax. Any subsequent revision to premium as and when they occur are recognized over the remaining period of risk or contract period, as applicable. Adjustments to premium arising on cancellation of policies are recognized in the period in which it is cancelled. The Net Premium Written is adjusted / netted of by the amount of movement of Unearned Premium Reserve to arrive at the net premium earned.

**Income from reinsurance ceded**

Commission on reinsurance ceded is adjusted/netted off from commission expense in the period of ceding the risk.

Profit Commission under reinsurance treaties, wherever applicable, is recognized as income in the year of final determination of profits and combined with commission on reinsurance ceded.

**Income earned on investments**

Interest income on investments is recognized on accrual basis. Accretion of discount and amortization of premium relating to debt securities is recognized over the holding/maturity period on a straight-line basis. Realized gain/loss on securities, which is the difference between the sale consideration and the carrying value in the books of the Company, is recognized on the trade date. In determining the realized gain/loss, cost of securities is arrived at on 'Weighted average cost' basis. Further, in case of mutual funds, the profit or loss on sale also includes the accumulated changes in the fair value previously recognized under 'Fair Value Change Account'. Sale consideration for the purpose of realized gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

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

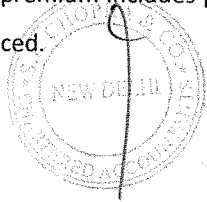
Investment income on shareholder fund is disclosed in Profit & Loss Account and investment income on policyholder funds is disclosed under Revenue Accounts.

**4.2. Premium received in advance**

Premium received in advance is the premium, where the period of cover sought incepts is clearly outside the accounting period.

**4.3. Unallocated Premium**

Unallocated premium includes premium deposit and premium which has been received but for which risk has not commenced.



Schedules forming part of financial statements

**4.4. Reinsurance Premium**

Insurance premium on ceding of the risk is recognised in the period in which the risk commences in accordance with reinsurance arrangements with the reinsurers. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognized in the period in which they are cancelled.

**4.5. Premium Deficiency**

Premium deficiency is recognised when the sum of expected claim costs and related expenses and maintenance costs exceed the reserve for unexpired risks and is computed based on actuarially determined ultimate loss ratios.

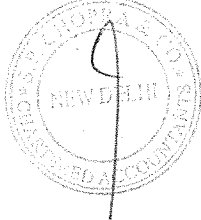
**4.6. Unearned Premium Reserve**

Unearned Premium Reserve represents that part of the net written premium (i.e. premium, net of reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on contract period basis or risk period basis, whichever is appropriate, and is created at 50% of the net written premium (excluding short term expired policy) of preceding twelve months as at the Balance Sheet date, in terms of option granted by the IRDA Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated 4th April, 2016.

**4.7. Claims**

Claims are recognized as and when reported. Claims are recorded in the Revenue Account, net of claims recoverable from reinsurers / co-insurers to the extent there is a reasonable certainty of realization. These estimates are progressively revalued on the availability of further information. Estimated liability in respect of claims is provided for, based on the intimations received up to the year end, information / estimates provided by the insured / surveyors / Third Party Administrators (TPA) and judgment based on the past experience and other applicable laws and practices.

Claims Incurred but not reported (IBNR) represent that amount of claims that may have been incurred prior to the end of the current accounting year but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims Incurred but not enough reported (IBNER). IBNR and IBNER liabilities are provided based on actuarial principles and certified annually by the Appointed Actuary of the Company. The methodology and assumptions on the basis of which the liability has been determined has also been certified by the Appointed Actuary to be appropriate, in accordance with guidelines and norms issued by the Institute of Actuaries of India and in concurrence with the IRDA.



## Schedules forming part of financial statements

Further claims incurred also include specific claims settlement costs such as survey / legal fees / TPA fees and other directly attributable costs.

### 4.8. Acquisition costs

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

### 4.9. Investments

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

Investments are recorded at cost, on trade date and includes brokerage, transfer charges, stamps etc., if any, and exclude interest accrued up to the date of purchase.

#### Classification

Investments maturing within twelve months from Balance Sheet date and Investments made with the specific intention to dispose off within twelve months are classified as 'short term investments'. Investments other than 'short term investments' are classified as 'long term investments'.

#### Valuation

Investments are valued as follows:

- **Debt securities and non – convertible preference shares**

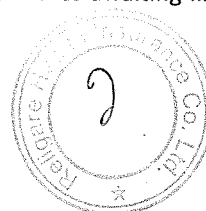
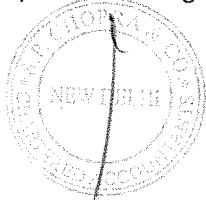
All debt securities including government securities and non – convertible preference shares are considered as 'held to maturity' and accordingly stated at historical cost, subject to accretion of discount or amortization of premium over the holding/maturity period on a straight line basis.

- **Mutual funds**

Mutual fund investments are stated at fair value, being the closing net asset value at Balance Sheet date.

- **Listed Equities**

Listed equity shares as at the Balance Sheet date are stated at fair value being the quoted closing price on the Primary Exchange – 'National Stock Exchange ('NSE')'. In case the equity share is not listed / traded on the Primary Exchange the quoted closing price on the Secondary Exchange – 'Bombay Stock Exchange ('BSE')', is considered as fair value. Equity shares awaiting listing are stated



#### Schedules forming part of financial statements

at historical cost subject to provision for diminution, if any, in the value of such investment determined separately for each individual investment.

- Investments other than mentioned above are valued at cost.

- **Fair Value Change Account**

In accordance with the Regulations, unrealized gain/loss arising due to changes in fair value of listed equity shares and mutual fund investments are taken to the 'Fair Value Change Account'. The balance in the Fair Value Change Account is not available for distribution, pending realization.

#### Impairment of Investments

The Company assesses at each Balance Sheet date whether there is any indication of investments being impaired. If any such indication exists, the carrying value of such investment is reduced to its recoverable amount and the impairment loss is recognized in the Profit and Loss Account. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

#### 4.10. Fixed assets, Intangible and Impairments

##### Fixed assets and depreciation

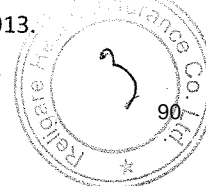
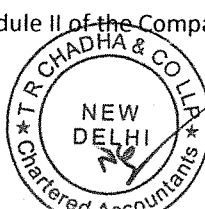
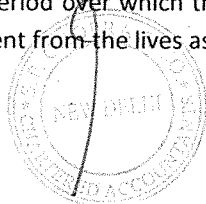
Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use.

Immovable assets at the leased premises including civil works, electrical items are capitalized as leasehold improvements and are amortized over the primary period of lease.

Depreciation is provided on Straight Line Method, over the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The useful lives in the following cases are different from that prescribed by Schedule II of the Companies Act, 2013.

Assets Description	Useful Life of Assets prescribed as per Schedule II of the Companies Act, 2013 (No. of Years)	Useful Lives of the Assets as assessed / estimated by the Company (No. of Years)
Office Equipment (Glow Sign Boards and Batteries)	5	3
Furniture and Fixtures	10	5
Vehicles (acquired from November, 2011 to March, 2014)	8	6.25

Based on usage pattern and internal assessment, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence the useful lives of these assets is different from the lives as prescribed in Schedule II of the Companies Act, 2013.



#### Schedules forming part of financial statements

Depreciation on addition or on sale / discard of an asset is calculated pro-rata from / up to the date of such addition or sale/discard.

#### Intangible Assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the Company and the costs of the assets can be measured reliably.

Intangible assets comprising computer software are carried at cost less amortization. Computer software including improvements are amortised over the management's estimate of the useful life of such intangibles. Management estimates for useful life of intangibles is 6.2 years.

All assets including intangibles individually costing up to Rs. 5,000 are fully depreciated / amortized in the year in which they are acquired.

#### Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognized in the Revenue Account and Profit and Loss Account. If, at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

#### 4.11. Operating Lease

Assets acquired under Leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. Lease payments of assets/premises taken on operating lease are recognised as an expense in the Revenue (s) and Profit and Loss Account.

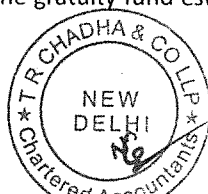
#### 4.12. Employee benefits

(i) **Defined Contribution Plan**

The benefit in the form of contribution to the Statutory Provident Fund, Employee State Insurance and Employee Labour Welfare Fund etc. are considered as the defined contribution plans and are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employees.

(ii) **Gratuity : Defined Benefit Plan**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees on retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. The Company makes annual contribution to the gratuity fund established as Trust. The Company



Schedules forming part of financial statements

accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation conducted by an independent actuary on projected unit credit method as at the Balance Sheet Date.

(iii) **Leave Encashment - Other Long term Benefits**

The employees of the Company are entitled to compensated absences and leave encashment as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation conducted by an independent actuary on projected unit credit method as at the Balance Sheet date. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions are recognized immediately in the Revenue Account(s) and Profit and Loss Account as income or expense.

**4.13. Employee Stock Option Scheme("ESOS")**

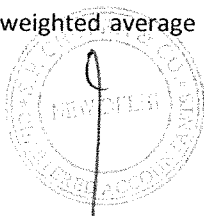
The company follows the intrinsic method for computing the compensation cost, for options granted under the scheme(s). The difference if any, between the intrinsic value and the grant price, being the compensation cost is recognized as deferred stock option expense and is charged to Revenue Account and Profit and Loss Account on straight line basis over the vesting period of options.

**4.14. Taxation**

- (i) Current tax is determined based on the amount of tax payable, calculated as per provisions of Income Tax Act 1961, in respect of taxable income for the year.
- (ii) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent years.
- (iii) Provision for taxation for the period(s) is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.
- (iv) Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.
- (v) Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amount and there is intention to settle the assets and the liabilities on a net basis.
- (vi) Deferred tax assets and liabilities are offset when there is a legally enforceable rights to set off assets against liabilities representing the current tax and where the deferred tax and liabilities relate to taxes on income levied by the same governing taxation laws.

**4.15. Earnings per share**

The basic earnings per share is calculated by dividing the Net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period. For



#### Schedules forming part of financial statements

the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### 4.16. Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation as a result of past event and 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 best estimate 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. Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. A disclosure for a contingent liability other than those under policies 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 of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

#### 4.17. Cash and Cash Equivalents

Cash and cash equivalent for the purpose of accounting standards, (AS)-3, cash flow statement comprises of cash and bank balances only.

#### 4.17 Segment Reporting

##### 4.18. Allocation of Income and Expenses

##### 4.18.1. Allocation of Investment Income

Investment income across segments within the Revenue Account has been allocated on the basis of claims and other allocable liabilities for the respective segments.

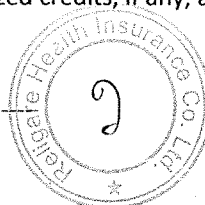
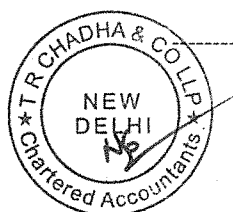
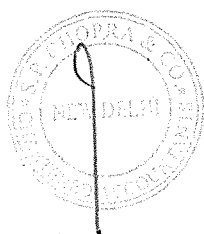
##### 4.18.2. Allocation of Expenses

4.18.2.1. Expenses that are directly identified to the business class are allocated on actual basis.

4.18.2.2. Other expenses that are not directly identifiable, are allocated in the proportion of Net Premium of respective business

4.18.3. Segment assets and liabilities have been allocated to various segments to the extent possible

4.18 Service Tax / goods and service tax liability on insurance service is set-off against the service tax credits / input tax credits available from tax paid on input services. Unutilized credits, if any, are carried forward for set-off.





Schedules forming part of financial statements

NOTES FORMING PART OF ACCOUNTS

1	<b>Contingent Liabilities</b>		(₹ '000)
	<b>Particulars</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
	Partly paid up Investments	-	-
	Claims, other than against Policies, not acknowledged as debts by the Company	-	-
	Underwriting commitments outstanding (in respect of shares and securities)	-	-
	Guarantees given by or on behalf of the Company	11,035	7,480
	Statutory demands / liabilities in dispute, not provided for	-	-
	Reinsurance obligations to the extent not provided for in account:	-	-
	Others - Against the cases filed by the ex landlorc	38	38

- 2 **Basis used by the Actuary for determining provision required for IBNR / IBNER**  
'Claims Incurred But Not Reported' (IBNR) and Claims Incurred But Not Enough Reported (IBNER) as at March 31, 2018 has been estimated by the Appointed Actuary in compliance with the guidelines issued by IRDA and applicable provisions of professional guidance notes issued by the Institute of Actuaries of India.

3 **Encumbrances**

All the assets of the Company are free from any encumbrances except deposits in banks amounting to ₹ 11,035 thousands (previous year ₹ 7,480 thousand) These deposits have been placed with banks for the purposes of executing bank guarantees. The Company has all assets within India.

4	<b>Estimated Amount of Commitments made and Outstanding for</b>		(₹ '000)
	<b>Particulars</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
	Loans	-	-
	Investments	-	-
	Fixed Assets (Net of advances)	3,781	3,862

5	<b>Claims less Reinsurance paid to Claimants</b>		(₹ '000)
	<b>Particulars</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
	In India	3,274,145	1,955,712
	Outside India	68,965	45,663

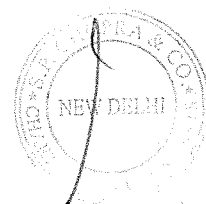
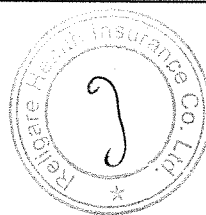
6	<b>Age-wise Breakup of Gross Claims Outstanding*</b>		(₹ '000)
	<b>Particulars</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
	Outstanding for more than six months	177,348	57,369
	Others	701,431	647,675
		878,779	705,045

\*Excluding IBNR provisions, amounts payable to service providers and third party administrator.

- 7 Claims settled and remaining unpaid for more than six months is NIL (Previous year : NIL)

8	<b>(a) Premium less Reinsurance Written During the Year</b>		(₹ '000)
	<b>Class of Business</b>	<b>In India</b>	<b>Outside India</b>
		<b>For the Year ended</b>	<b>For the Year ended</b>
		<b>31.03.2018</b>	<b>31.03.2017</b>
	Miscellaneous	8,218,715	5,272,047

(b) No premium income is recognized on "Varying Risk Pattern" basis.



Schedules forming part of financial statements

9 Extent of Risk Retained and Reinsured		(₹ '000)	
Class of Business	Risk Retained		Risk Reinsured
	For the Year ended 31.03.2018	For the Year ended 31.03.2017	For the Year ended 31.03.2018 ended 31.03.2017
Miscellaneous	74%	73%	26% 27%

10 Value of Contracts in relation to Investments		(₹ '000)
Particulars	As at 31.03.2018	As at 31.03.2017
Purchase where deliveries are pending	-	-
Sales where payments are overdue	-	-

11 All the investments are made in accordance with Insurance Act, 1938 and IRDA (Investment) Regulations, 2016 and are performing assets.

12 The Company does not have any investment property as at March 31, 2018 or March 31, 2017.

13 Historical cost of investments which are valued at Fair Value

Particulars	March 31, 2018		March 31, 2017	
	Reported / fair value	Historical Cost	Reported / fair value	Historical Cost
Mutual Funds	271,379	271,000	379,800	379,800
Equity Shares	28,376	35,252	-	-

14 Age-wise Analysis of the Unclaimed Amount of the Policyholders

Particulars	Total Amount	Age-wise Analysis (in months)					
		4-12 Mts	13-18 Mts	19- 24 Mts	25 - 30 Mts	31 - 36 Mts	Beyond 36 Mts
Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the insured /policyholders	-	-	-	-	-	-	-
Sum due to the insured /policyholders on maturity or otherwise	-	-	-	-	-	-	-
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 **	363	362	-	1	1	-	-
Cheques issued but not encashed by the policyholder/insured *	10,230	4,200	1,555	1,586	1,031	531	1,328

\* Fair Value of Investments against unclaimed amount is ₹ 13,190 Thousands.

\*\* Excess collection which is refundable with ageing 0-3 months is ₹ 2,902 Thousands

Details of Unclaimed amounts and investment income thereon

Particulars	₹ Lakhs
Opening Balance	71.67
Add: Amount Transferred to unclaimed amount	97.09
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders	6.41
Add: Investment income	6.01
Less: Amount paid during the year	37.09
Closing Balance of Unclaimed Amount	144.08

15 Segment Information

a) Business Segments

The Company's primary reportable segments are identified in accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002. The operating expenses and investment and other income have been allocated to various segments as per accounting policies disclosed above. However, due to the nature of the business, segment assets and liabilities have been allocated to various segments to the extent possible.

Segment	Health		Personal Accident		Others	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Health Segment						
Segmental Revenue	9,509,187	6,369,792	1,036,730	544,048	561,889	346,828
Segmental Result	(387,629)	(180,694)	84,814	108,503	17,348	19,691
Segmental Liabilities						
Claims Outstanding (Net)	884,765	788,342	119,172	94,397	148,094	80,300
Unexpired risk reserve (Net)	3,483,279	2,321,177	401,876	177,895	72,819	36,933
Premium received in advance	463,695	164,732	47,588	11,465	28,215	20,905
Segment Assets						
Outstanding Premium	82,067	82,082				

b) Geographical Segment

There is no reportable Geographical Segmentation for the year

Schedules forming part of financial statements

16 Details of Managerial Remuneration as per terms of appointment are as under:

(₹ '000)		
Particulars	As at 31.03.2018	As at 31.03.2017
Salaries & Allowances	25,585	29,535
Contribution to Provident and other funds	1,307	1,188
Perquisites	10	52
Total **	26,902	30,775

\*\*The managerial remuneration paid to Mr. Anuj Gulati, the Managing Director and Chief Executive officer of the company is in accordance with the approval accorded by the Insurance Regulatory and Development Authority as per the requirement of Sec 34A of the Insurance Act, 1938. Pursuant to the said approval ₹ 15,000 (thousand) (Previous year ₹ 15,000 thousand) is charged to Revenue Account, and remaining ₹ 11,902 thousand (Previous year ₹ 15,775 thousand) is charged to Profit and Loss Account

Provision towards gratuity and leave encashment are determined actuarially for company as a whole and accordingly have not been considered in the above information

During the year a provision of ₹ 27,232 (thousand) towards bonus for managerial personnel has been created. The same is payable subject to approval by shareholders and Insurance Regulatory and Development Authority. The Provision has been charged to Profit and Loss account

During the year bonus of ₹ 24,757 thousand has been paid/outstanding to Mr. Anuj Gulati, the Managing Director and Chief Executive Officer of the Company. The said Bonus has been paid/outstanding out of last year provisions

Perquisites are calculated as per Income Tax Rules, 1962.

17 The results of reinsurance inward are accounted as per last available statement of accounts/confirmation from reinsurers

18 Expenditure in Foreign Currency (On accrual basis)

(₹ '000)		
Particulars	Year ended 31.03.18	Year ended 31.03.17
Travelling	-	-
Remuneration	-	-
Software License Fees	-	-
Purchase of Fixed Assets	-	-
Professional fees	-	-
Others	98,821	21,221
Total	98,821	21,221

19 Operating Lease Commitments

The Company has taken on lease office premises. Lease payments on cancellable and non cancellable lease of Rs. 102,508 thousand (previous year 82,080 thousand) are charged to Revenue Account and Profit and Loss Account. The future minimum lease payments in respect of non cancellable as at the balance sheet date are as under:

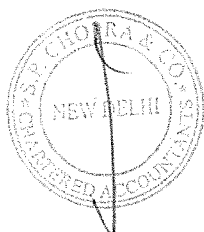
The lease rental charged under non cancellable operating leases and maximum obligation on such leases at the balance sheet date are as follows:

(₹ '000)		
Particulars	Year ended 31.03.18	Year ended 31.03.17
Payable not later than one year	31,105	55,410
Payable later than one year but not later than five years	4,560	35,996
Payable later than five years	-	-
Total	35,665	91,405

20 Foreign Currency Exposures

Foreign currency exposures which are not hedged as at the Balance Sheet date are:

(₹ '000)		
Particulars	Year ended 31.03.18	Year ended 31.03.17
Payable in Indian Rupee	95,202	45,522
Payable in USD	-	-

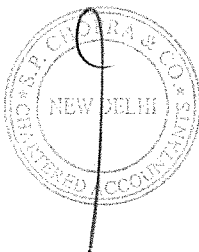


Schedules forming part of financial statements

21

**Detailed list of Related parties**  
(As per AS-18 issued by ICAI)

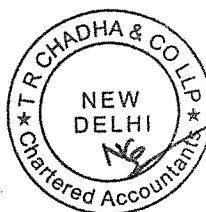
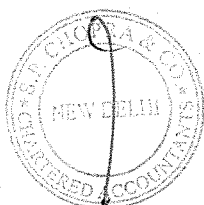
S.No	Nature of Relationship	Name of party
1	Holding Company	Religare Enterprises Limited
2	Subsidiaries of immediate Holding Companies	Religare Finvest Limited
		Religare Capital Markets Limited
		Religare Broking Limited
		Religare Insurance Limited
		Religare Global Asset Management Inc.
		Religare Support Services Limited
		(Amalgamated/Merged with Religare Enterprise Limited w.e.f. 29 Dec 2017)
		Religare Securities Limited
		(Amalgamated/Merged with Religare Enterprise Limited w.e.f. 29 Dec 2017)
		RGAM Investment Advisers Private Ltd
3	Subsidiaries of fellow Subsidiaries	(Ceased to be Related Party w.e.f. 29 Dec 2017)
		Religare Credit Advisor Private Limited (formerly Religare Credit Advisors LLP)
		Religare Housing Development Finance Corporation Limited
		Religare Comtrade Limited
		Religare Commodities Limited
		Religare Capital Markets International (Mauritius) Limited
		Religare Capital Markets International (UK) Limited
		Religare Capital Markets (Europe) Limited
		Religare Capital Markets (UK) Limited
		Religare Capital Markets Corporate Finance Pte Limited
		Religare Capital Markets Inc.
		Religare Capital Markets (Hong kong) Ltd.
		Tobler (UK) Limited
		Kyte Management Limited
		Religare Capital Markets (Singapore) Pte Limited
		Bartleet Religare Securities (Private) Limited
		Bartleet Asset Management (Private) Limited
		Strategic Research Limited
		Bartleet Wealth Management (Private) Limited (formerly Religare Bartleet Capital Markets (Private) Limited)
		Religare Wealth Management Limited
		Argil Advisors LLP (formerly Cerestra Capital Advisors LLP)
		Religare Credit Advisors LLP
		Religare Venture Capital Limited (Ceased to be Related Party w.e.f. 29 Dec 2017)
		Cerestra Advisor Limited (Ceased to be Related Party w.e.f. 15 Mar 2018)
		Religare Business Solutions Limited
4	Individuals owning, directly or indirectly, interest in the voting power that gives them control	Mr. Malvinder Mohan Singh (Resigned from Religare Enterprises w.e.f. 14th Feb 2018)
		Mr. Shivinder Mohan Singh (Resigned from Religare Enterprises w.e.f. 14th Feb 2018)
5	Key management personnel	Mr. Anuj Gulati
6	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	SRL Limited (Ceased to be Related Party w.e.f. 29 Dec 2017)
		RHC Holding Private Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Escorts Heart Institute & Research Centre (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Fortis Healthcare Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Fortis Hospitals Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Fortis Malar Hospitals Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Hiranandani Healthcare Private Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Fortis C-Doc Healthcare Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Ligare Voyages Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Dion Global Solutions Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		Fortis Health Management Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)
		DDRC SRL Diagnostics Pvt Ltd (Ceased to be Related Party w.e.f. 2 Feb 2018)
		RHC Holding Private Limited
		(Ceased to be Related Party w.e.f. 2 Feb 2018)
		RHC IT Solutions Private Limited
		(Ceased to be Related Party w.e.f. 2 Feb 2018)
		Fortis Charitable Foundation (Ceased to be Related Party w.e.f. 2 Feb 2018)



Schedules forming part of financial statements

22 Summary of significant related party transactions  
(As per AS-18 issued by ICAI)

(₹ '000)					
S. No	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	As at 31st March, 2018 / For the year ended 31st March, 2018	As at 31st March, 2017 / For the year ended 31st March, 2017
1	Religare Enterprises Limited	Holding Company	Allocation of Equity Shares	674,756	450,343
			Expense Reimbursement to Religare Enterprises Limited	7,775	4,082
			Receipt of Premium	67	50
			Payable	3,114	976
			Premium Received in Advance / Cash Deposit	1	173
			Security Deposit Payable	-	200
			Security Deposit Received	-	100
			Security Deposit Paid	200	-
2	Religare Finvest Limited	Fellow Subsidiary	Expense Reimbursement by Religare Finvest Limited	-	16
			Expense Reimbursement to Religare Finvest Limited	80	565
			Receipt of Premium	6,405	27,774
			Commission Expenses	2,338	1,030
			Commission Receivable	29	52
			Receivable	117	-
			Premium Received in Advance / Cash Deposit	67	534
			Payable	-	119
3	Religare Support Services Limited (Amalgamated/Merged with Religare Enterprise Limited w.e.f. 29 Dec 2017)	Fellow Subsidiary	Reimbursement of Expenses to (Allocation of Expenses by) Religare Support Services Limited	27,224	91,171
			Premium Received in Advance / Cash Deposit	236	273
			Purchase of Fixed Asset	-	39
			Receipt of Premium	431	1,052
			Payable	978	6,008
4	Religare Securities Limited (Amalgamated/Merged with Religare Enterprise Limited w.e.f. 29 Dec 2017)	Fellow Subsidiary	Expense Reimbursement by Religare Securities Limited	14	101
			Expense Reimbursement to Religare Securities Limited	1,077	4,165
			Receipt of Premium	3,004	14,675
			Commission Expenses	8,958	15,295
			Commission Payable	1,060	4,786
			Receivable	426	-
			Premium Received in Advance / Cash Deposit	88	244
			Payable	-	979
5	Religare Broking Limited	Fellow Subsidiary	Expense Reimbursement to Religare Broking Limited	970	-
			Payables	172	-
			Receipt of Premium	460	-
6	Religare Capital Markets Limited	Fellow Subsidiary	Expense Reimbursement to Religare Capital Markets Limited	-	18
			Receipt of Premium	82	919
			Premium Received in Advance / Cash Deposit	55	32
7	RGAM Investment Advisers Private Ltd (Ceased to be Related Party w.e.f. 29 Dec 2017)	Fellow Subsidiary	Receipt of Premium	-	60
			Premium Received in Advance / Cash Deposit	-	5
8	Religare Commodities Limited	Subsidiary of Fellow Subsidiary	Expense Reimbursement to Religare Commodities Limited	-	5
			Receipt of Premium	450	2,422
			Payable	-	2
			Premium Received in Advance / Cash Deposit	37	85
9	Religare Housing Development Finance Corporation Limited	Subsidiary of Fellow Subsidiary	Receipt of Premium	1,229	4,056
			Premium Received in Advance / Cash Deposit	5	56
			Other Receivables	-	20
			Other Payable	57	-
			Reimbursement of Expenses to Other Companies	35	-
			Reimbursement of Expenses by Religare Housing Development Finance Corporation Limited	-	66



Schedules forming part of financial statements

22 Summary of significant related party transactions  
(As per AS-18 issued by ICAI)

(₹ '000)

S. No	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	As at 31st March, 2018 / For the year ended 31st March, 2018	As at 31st March, 2017 / For the year ended 31st March, 2017
10	Religare Comtrade Limited	Subsidiary of Fellow Subsidiary	Receipt of Premium	-	148
			Refund of Premium	3	-
			Premium Received in Advance / Cash Deposit	1	42
11	Religare Credit Advisors LLP (Amalgamated/Merged with Religare Enterprise Limited w.e.f. 29 Dec 2017)	Subsidiary of Fellow Subsidiary	Premium Received in Advance / Cash Deposit	27	21
			Receipt of Premium	-	550
			Other Receivables	4	4
12	Religare Wealth Management Limited	Subsidiary of Fellow Subsidiary	Receipt of Premium	-	2,036
			Premium Received in Advance / Cash Deposit	49	85
			Commission Expenses	-	157
			Commission Payable	0	4
13	Religare Venture Capital Limited (Ceased to be Related Party w.e.f. 29 Dec 2017)	Subsidiary of Fellow Subsidiary	Other Receivables	-	-
			Receipt of Premium	-	635
			Premium Received in Advance / Cash Deposit	-	78
			Reimbursement of Expenses by Religare Venture Capital Ltd	-	-
14	Crestra Advisor Limited (Ceased to be Related Party w.e.f. 15 Mar 2018)	Subsidiary of Fellow Subsidiary	Receipt of Premium	774	410
			Premium Received in Advance / Cash Deposit	134	-
15	Argil Advisors LLP	Subsidiary of Fellow Subsidiary	Refund of Premium	-	2
16	Dion Global Solutions Limited (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Technical and Professional Expenses	-	2
			Receipt of Premium	4,180	92
			Premium Received in Advance / Cash Deposit	456	41
17	SRL limited (Ceased to be Related Party w.e.f. 30 Nov 2017)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Medical Charges	-	304
			Claims payment	9,326	10,387
			Marketing Expenses	-	484
			Other Payable	61	485
			Premium Received in Advance / Cash Deposit	-	-
18	RHC Holding Private Limited (Ceased to be Related Party w.e.f. 14th Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Allocation Of Expenses By Other Companies	3,278	3,119
			Claims Payment	225	-
			Premium Received in Advance / Cash Deposit	-	59
			Other Payables	6	-
			refund of Premium	123	-
			Security Deposit receivable	4,000	4,000
			Receipt of Premium	-	3,765
19	RHC IT Solutions Private Limited (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Premium Received in Advance / Cash Deposit	0	2
20	Escorts Heart Institute & Research Centre (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	6,538	6,158
21	Fortis Healthcare Limited (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	10,281	8,394
22	Fortis Hospital Limited (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	87,407	75,236
23	Fortis Malar Hospital (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	1,169	1,316
24	Hiranandani Healthcare Private Limited (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	4,217	4,281

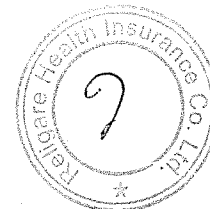
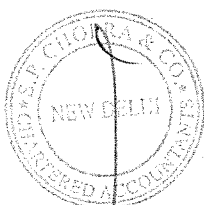


Schedules forming part of financial statements

22 Summary of significant related party transactions  
(As per AS-18 issued by ICAI)

(₹ '000)

S. No	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	As at 31st March, 2018 / For the year ended 31st March, 2018	As at 31st March, 2017 / For the year ended 31st March, 2017
25	FORTIS C-DOC HEALTHCARE LIMITED (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	1,836	1,930
26	Ligare Voyages Limited (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Refund of Premium	-	120
			Rent & office Maintenance	-	399
27	Fortis Health Management Ltd (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	1,249	381
28	Fortis Charitable Foundation (Ceased to be Related Party w.e.f. 14 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Refund of premium	3	-
			Claims Payment	14	-
29	Ddrc Srl Diagnostics Pvt Ltd (Ceased to be Related Party w.e.f. 30 Nov 2017)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	178	-
30	Mr. Anuj Gulati	Key Management Personnel	Remuneration	47,515	53,281
			Receipt of Premium	11	21
			Claims payment	-	20



Schedules forming part of financial statements

23

Employee Benefits

A. Gratuity and Leave Encashment

The following tables summarize the components of the net employee benefit expenses recognized in the Profit and Loss Account, the fund status and amount recognized in the balance sheet for the gratuity and leave encashment, and give the disclosure relating to actuarial valuation of leave encashment and gratuity liability

(₹ '000)

Disclosures relating to actuarial valuation of Leave encashment and gratuity liability:

		Leave Encashment		Gratuity	
		2017-18	2016-17	2017-18	2016-17
I	Assumptions				
	Mortality	Indian Assured Lives Mortality (2006-08) Ult*	Indian Assured Lives Mortality (2006-08) Ult*	Indian Assured Lives Mortality (2006-08) Ult*	Indian Assured Lives Mortality (2006-08) Ult*
	Discount Rate	6.70%	6.25%	6.70%	6.25%
	Rate of increase in compensation	6.00%	6.00%	6.00%	6.00%
	Rate of return (expected) on plan assets	NA	NA	6.70%	6.25%
	Withdrawal rates	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & + 10%	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & + 10%	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & + 10%	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & + 10%
	Expected average remaining working lives of employees	2.01	1.98	2.01	1.98
II	Changes in present value of obligations				
	DBO at beginning of year	34,215	26,358	36,067	20,145
	Interest Cost	1,568	1,291	2,203	1,379
	Current Service Cost	13,432	12,919	7,852	4,634
	Benefits Paid	18,239	16,080	1,638	1,171
	Actuarial gain/(loss) on obligation	(18,053)	(9,727)	(10,298)	(11,080)
	DBO at end of year	49,029	34,215	54,781	36,067
III	Changes in fair value of plan assets				
	Fair Value of Plan Assets at beginning of year			21,098	10,806
	Expected Return of Plan Assets			1,735	1,050
	Contributions made	N.A	N.A	14,969	9,340
	Benefits paid			1,638	1,171
	Actuarial gain / (loss) on plan assets			1,385	1,074
	Fair Value of Plan Assets at end of year			37,548	21,098
IV	Fair Value of Plan Assets				
	Fair Value of Plan Assets at beginning of year	-	-	21,098	10,806
	Actual Return of plan assets	-	-	3,120	2,124
	Contributions made	-	-	14,969	9,340
	Benefit paid	-	-	1,638	1,171
	Fair Value of Plan Assets at end of year	-	-	37,548	21,098
V	Actuarial Gain/(loss) Recognised				
	Actuarial Gain/(loss) for the year (Obligation)	(18,053)	(9,727)	(10,298)	(11,080)
	Actuarial Gain/(loss) for the year (Plan Assets)	N.A	N.A	1,385	1,074
	Total Gain/(Loss) for the year	(18,053)	(9,727)	(8,913)	(10,006)
	Actuarial Gain/(loss) Recognised for the year	(18,053)	(9,727)	(8,913)	(10,006)
	Unrecognised Actuarial Gain/(Loss) at the end of year	NIL	NIL	NIL	NIL
VI	Amounts to be recognised in the balance sheet				
	DBO at the end of year	49,029	34,215	54,781	36,067
	Fair Value of Plan Assets at end of year	N.A	N.A	37,548	21,098
	Funded Status deficit/(surplus)	49,029	34,215	17,233	14,969
	Unrecognised Actuarial Gain/(Loss)	NIL	NIL	NIL	NIL
	Net (Asset)/Liability recognised in the balance sheet	49,029	34,215	17,233	14,969
VII	Expense Recognised				
	Current Service Cost	13,432	12,919	7,852	4,634
	Interest Cost	1,568	1,291	2,203	1,379
	Expected Return on Plan Assets	N.A	N.A	(1,735)	(1,050)
	Net Actuarial Loss / (Gain) recognised for the year	18,053	9,727	8,913	10,006
	Expense recognised in the statement of P&L A/c	33,053	23,937	17,233	14,969
VIII	Movements in the liability recognised in Balance Sheet				
	Opening Net Liability	34,215	26,358	14,969	9,340
	Expenses as above	33,053	23,937	17,233	14,969
	Benefits paid/Contribution made	18,239	16,080	14,969	9,340
	Closing Net Liability	49,029	34,215	17,233	14,969
IX	Current liability	24,525	16,673	17,233	12,734
	Non current liability	24,505	17,541	-	2,235
	Closing Net Liability	49,029	34,215	17,233	14,969



Schedules forming part of financial statements

**Employee's Benefits – Gratuity Experience Adjustment**

(₹ '000)

	Financial Year Ending 31.03.2014	Financial Year Ending 31.03.2015	Financial Year Ending 31.03.2016	Financial Year Ending 31.03.2017	Financial Year Ending 31.03.2018
Benefit obligation	8,558	12,708	20,145	36,067	54,781
Fair Value of Plan Assets	5,163	10,613	10,806	21,098	37,548
Funded Status Deficit / (Surplus)	3,395	2,095	9,340	14,969	17,233
Experience Adjustment on plan liabilities (loss)	(3,063)	(1,681)	(4,444)	(10,370)	(10,901)
% of plan liabilities	-35.80%	-13.23%	-22.06%	-28.75%	-19.90%
Experience Adjustment on plan Assets (loss)	493	1,712	(1,514)	1,074	1,385
% of plan Assets	9.54%	16.13%	-14.01%	5.09%	3.69%
Actuarial Gain / Loss due to change in Assumptions	153	(249)	(374)	(710)	604

**Employee's Benefits – Leave Encashment Experience Adjustment**

(₹ '000)

	Financial Year Ending 31.03.2014	Financial Year Ending 31.03.2015	Financial Year Ending 31.03.2016	Financial Year Ending 31.03.2017	Financial Year Ending 31.03.2018
Benefit obligation	13,457	18,553	26,358	34,215	49,029
Fair Value of Plan Assets	-	-	-	-	-
Funded Status Deficit / (Surplus)	13,457	18,553	26,358	34,215	49,029
Experience Adjustment on plan liabilities (loss)	(3,517)	(1,821)	(9,268)	(9,179)	(18,481)
% of plan liabilities	-26.13%	-9.82%	-35.16%	-26.83%	-37.69%
Experience Adjustment on plan Assets (loss)	NA	NA	NA	NA	NA
% of plan Assets	NA	NA	NA	NA	NA
Actuarial Gain / (Loss) due to change in Assumptions	158	(250)	(348)	(547)	428

**B Defined Contribution Plan**

The Company's employees are covered by Statutory Provident Fund, Employee State Insurance and Employee Labour Welfare Fund to which the Company makes a defined contribution measured as fixed percentage of Salary. During the year amount of ₹ 112,802 thousands (Previous Year ₹ 70,385 thousands) has been charged to Revenue or Profit and Loss Account towards contribution to above schemes/benefits.

**24 Deferred Tax**

In the absence of virtual certainty regarding availability of the sufficient future taxable income to set-off the taxable accumulated business losses in future, within allowable period, the deferred tax assets on account of timing differences as stipulated in Accounting Standard 22 on "Accounting for Taxes on Income" has not been recognized.

**25 Earnings Per Share**

Basic earnings per equity share have been computed by dividing net profit (loss) after tax by the weighted average number of equity shares outstanding for the year.

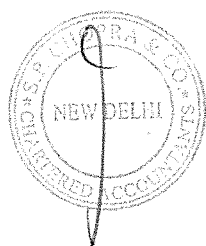
(₹ '000)

	Particulars	Units	Year ended 31.03.18	Year ended 31.03.17
a	Net profit/(loss) after tax	₹ in '000s	(162,518)	21,518
	Weighted average of number of equity shares used in computing basic earnings per share	No. of Shares in '000s	533,901	494,149
b	No. of shares in			
c	Basic earnings per share (a/b)	₹	(0.30)	0.04
	Weighted average of number of potential equity shares	No. of Shares in '000s	19,546	NA
d				
e	Diluted earnings per share [a/(b+d)]		(0.29)	NA

Impact of ESOPs has not been considered to calculate diluted earning per share for FY 2016-17 as fair market value and Exercisable price per option was same as on 31st March 2017.

**26 Expenses of Management**

As per the IRDA's Order No.: IRDA/F&A/ORD/EMT/042/03/2013 dated 04-Mar-2013, the Company has been exempted from necessary compliances required u/s 40C(1) of the Insurance Act, 1938 read with Rule 17E of the Insurance Rules, 1939 for the first five years of its operations.



Schedules forming part of financial statements

- 27 **Sector Wise Business**  
Disclosure of Sector wise business based on Gross Direct Written Premium (GWP) as per Insurance Regulatory and Development Authority (Obligations of Insurers to Rural or Social Sectors) Regulations 2015 is as under:

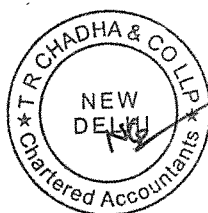
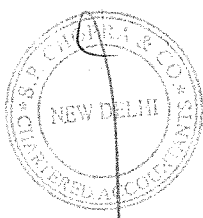
Business Sector Year ended 31.03.2018	Year ended 31.03.18					
	GWP (₹ '000s)	No. of Lives	No. of Policies	% of GWP	% of No. of Lives	% of No. of policies
Rural	991,302	868,108	60,230	8.92%	23.68%	9.11%
Social	55,113	521,818	99	0.50%	14.23%	0.01%
Total	11,107,806	3,666,458	661,175	100.00%	100.00%	100.00%

Business Sector Year ended 31.03.2017	Year ended 31.03.17					
	GWP (₹ '000s)	No. of Lives	No. of Policies	% of GWP	% of No. of Lives	% of No. of policies
Rural	489,077	188,519	43,637	6.74%	9.33%	8.83%
Social	7,734	42,814	67	0.11%	2.12%	0.01%
Total	7,260,668	2,020,337	494,081	100.00%	100.00%	100.00%

- 28 **Disclosure of Fire and Marine Revenue accounts:**  
As the Company operates in single insurance business class viz. Health Insurance Business, the reporting requirements as prescribed by IRDA with respect to presentation of Fire and Marine Insurance revenue accounts are not applicable.
- 29 **Premium Deficiency Reserve**  
The Appointed Actuary has reviewed the expected claims ratio including claims related expense. As the expected claims ratio are well within 100%, no premium deficiency reserve has been created.
- 30 **Actuarial valuation of claims where claims period exceeds four years**  
Currently the Company has not underwritten any policy, where the claim payment term exceeds 4 years. Hence, no actuarial valuation is required.
- 31 **Micro Small and Medium Enterprises**  
There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the year ended March 31, 2018 and March 31, 2017. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- 32 **Share Capital**  
Authorized share capital of the company as on 31st March 2018 is ₹ 800 crores. The Company has allotted ₹ 70.08 crores worth of equity shares during the year.
- 33 **Penal Actions Details by Various Government Authorities**  
IRDA circular no 005/IRDA/F&A/CIR/MAY-09 requires disclosure as per given format in respect of penal actions taken by various Government Authorities.

(₹ in Lacs)

S.No. Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1 Insurance Regulatory and Development Authority	-	-	-	-
2 Goods and Service Tax Authorities	Non-Compliance	0.62	0.62	-
3 Income Tax Authorities	-	-	-	-
4 Any Other Tax Authorities	-	-	-	-
5 Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	-	-	-	-
6 Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	-	-	-	-
7 Penalty awarded by any Court/ tribunal for any matter including claim settlement but excluding Compensation	-	-	-	-
8 Securities and Exchange Board of India	-	-	-	-
9 Competition Commission of India	-	-	-	-
10 Any other Central/State/Local Government/Statutory Authority	-	-	-	-



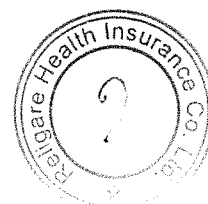
Schedules forming part of financial statements

34

Summary of Financial Statements:

		(₹ in Lacs)				
S.No.	Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
<b>OPERATING RESULTS</b>						
1	Gross Premium Written	111,078	72,607	50,332	27,580	15,231
2	Net Earned Premium Income	67,967	48,400	28,773	15,372	8,164
3	Income from Investments (net)	4,375	3,317	2,471	1,266	557
4	Other Income	-	-	-	-	-
5	Total Income	72,343	51,717	31,244	16,638	8,722
6	Commission (Net) - Including Brokerage	(4,132)	(4,303)	(2,458)	1,990	1,275
7	Operating Expenses	44,008	32,094	25,705	15,721	9,732
8	Net Incurred Claims	35,321	24,451	16,472	9,397	6,525
9	Change in Unexpired Risk Reserve	14,220	4,320	7,195	7,533	4,158
10	Operating Profit/Loss	(2,855)	(525)	(8,475)	(10,469)	(8,809)
<b>NON-OPERATING RESULTS</b>						
11	Total Income under Shareholders Account	1,229	740	591	543	848
12	Profit /(loss) before tax	(1,625)	215	(7,884)	(9,925)	(7,961)
13	Provision for Tax	-	-	-	1	1
14	Profit/(Loss) after tax	(1,625)	215	(7,884)	(9,926)	(7,963)
<b>Miscellaneous</b>						
15	Policyholder's Account:					
	a) Total funds	66,879	42,711	31,624	20,980	8,095
	b) Total Investments					
	c) Yield on Investments	8.1%	9.2%	9.4%	9.2%	9.0%
16	Shareholder's Account:					
	a) Total funds	25,913	17,969	13,706	9,516	10,661
	b) Total Investments					
	c) Yield on Investments	8.0%	8.0%	7.7%	8.8%	9.6%
17	Paid Up Equity Capital	59,483	52,475	47,507	35,000	25,000
18	Net Worth *	27,605	22,287	17,104	12,481	12,421
19	Total Assets(Net)	109,934	74,940	57,389	39,952	26,135
20	Yield on total investments	8.2%	8.8%	8.9%	9.1%	9.2%
21	Earning Per Share (₹)	(0.30)	0.04	(2.00)	(3.45)	(4.01)
22	Book value per Share (₹)	4.64	4.25	3.60	3.57	4.97
23	Total Dividend	-	-	-	-	-
24	Dividend Per share	-	-	-	-	-

\* Including Fair Value Change Account



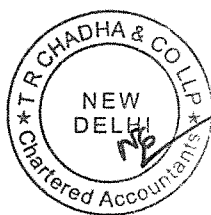
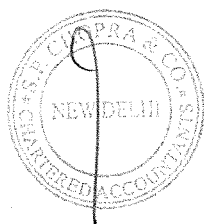
Schedules forming part of financial statements

35 Employee Stock Option Plan issued by the Company

Type of Scheme	Employee Stock Option Scheme 2010*		
	Series-I	Series-II	Series-III
Date of grant	December 29, 2010	March 14, 2011	August 5, 2011
Number Granted	1,856,250	12,368,750	1,300,000
Contractual Life	4 yrs	4 yrs	4 yrs
Vesting Conditions	20% on expiry of 12 months from grant date	20% on expiry of 12 months from grant date	20% on expiry of 12 months from grant date
	20% on expiry of 24 months from grant date	20% on expiry of 24 months from grant date	20% on expiry of 24 months from grant date
	20% on expiry of 36 months from grant date	20% on expiry of 36 months from grant date	20% on expiry of 36 months from grant date
	40% on expiry of 48 months from grant date	40% on expiry of 48 months from grant date	40% on expiry of 48 months from grant date
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10

\* Options including numbers of RHICL Employees and REL Seniors

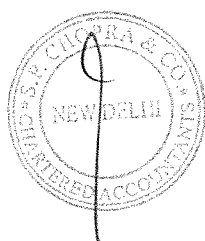
Type of Scheme	Employee Stock Option Scheme 2014		
	Series-I	Series-II	Series-III
Date of grant	July 28, 2014	April 27, 2015	July 4, 2015
Number Granted	9,575,000	7,780,000	1,983,500
Contractual Life	3 yrs	3 yrs	3 yrs
Vesting Conditions	33% on expiry of 12 months from grant date	33% on expiry of 12 months from grant date	33% on expiry of 12 months from grant date
	33% on expiry of 24 months from grant date	33% on expiry of 24 months from grant date	33% on expiry of 24 months from grant date
	34% on expiry of 36 months from grant date	34% on expiry of 36 months from grant date	34% on expiry of 36 months from grant date
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10



Schedules forming part of financial statements

Type of Scheme	Employee Stock Option Scheme 2014			
	Series-IV	Series-V	Series-VI	Series-VII
Date of grant	September 30, 2015	November 30, 2015	February 2, 2016	March 30, 2016
Number Granted	3,111,500	2,892,550	2,224,080	1,498,150
Contractual Life	3 yrs	3 yrs	3 yrs	3 yrs
Vesting Conditions	33% on expiry of 12 months from grant date	33% on expiry of 12 months from grant date	33% on expiry of 12 months from grant date	33% on expiry of 12 months from grant date
	33% on expiry of 24 months from grant date	33% on expiry of 24 months from grant date	33% on expiry of 24 months from grant date	33% on expiry of 24 months from grant date
	34% on expiry of 36 months from grant date	34% on expiry of 36 months from grant date	34% on expiry of 36 months from grant date	34% on expiry of 36 months from grant date
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10	10
Estimated fair value of share granted	10	10	10	10

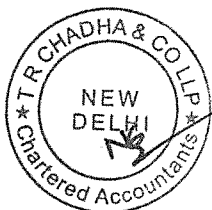
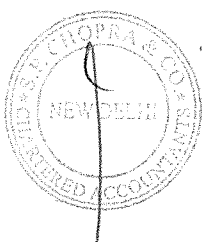
Type of Scheme	Employee Stock Option Scheme 2014		
	Series-VIII	Series-IX	Series-X
Date of grant	June 30, 2016	March 3, 2017	March 31, 2017
Number Granted	1,843,200	633,600	861,120
Contractual Life	3 yrs	3 yrs	3 yrs
Vesting Conditions	33% on expiry of 12 months from grant date	33% on expiry of 12 months from grant date	33% on expiry of 12 months from grant date
	33% on expiry of 24 months from grant date	33% on expiry of 24 months from grant date	33% on expiry of 24 months from grant date
	34% on expiry of 36 months from grant date	34% on expiry of 36 months from grant date	34% on expiry of 36 months from grant date
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10



Schedules forming part of financial statements

Type of Scheme	CEO Scheme 2014			
	Category-1 (in lieu of surrender of Options granted under 2010 Scheme )	Category-1 (new Grant)	Category-2	Category-3
Date of grant	July 28, 2014	July 28, 2014	July 28, 2014	July 28, 2014
Number Granted	2,000,000	2,285,714	1,331,250	7,500,000
Contractual Life	1 yr	3 yrs	1 yr	
Vesting Conditions	100% on expiry of 12 months from grant date	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	31 Mar'16
		33% on expiry of 24 months from grant date		
		34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10	10
Estimated fair value of share granted	10	10	10	10

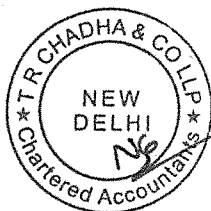
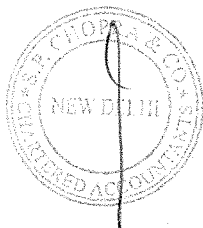
Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	April 27, 2015	April 27, 2015	April 27, 2015
Number Granted	1,714,286	668,750	4,500,000
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	April 27, 2016
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10



Schedules forming part of financial statements

Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	July 4, 2015	July 4, 2015	July 4, 2015
Number Granted	428,571	0	857,143
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	July 4, 2016
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10

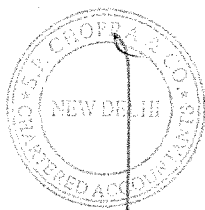
Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	September 30, 2015	September 30, 2015	September 30, 2015
Number Granted	428,571	0	857,143
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	September 30, 2016
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10



## Schedules forming part of financial statements

Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	November 30, 2015	November 30, 2015	November 30, 2015
Number Granted	428,571	0	857,143
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	November 30, 2016
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10

Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	February 2, 2016	February 2, 2016	February 2, 2016
Number Granted	428,571	0	857,143
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	February 2, 2017
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10

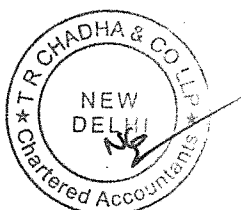
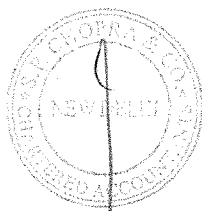




## Schedules forming part of financial statements

Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	March 30, 2016	March 30, 2016	March 30, 2016
Number Granted	428,571	714,285	857,143
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	March 30, 2017
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10

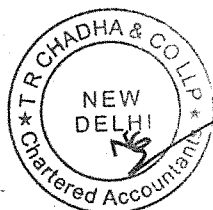
Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	June 30, 2016	June 30, 2016	June 30, 2016
Number Granted	407,143		814,286
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	June 30, 2017
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10



Schedules forming part of financial statements

Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	March 30, 2017	March 30, 2017	March 30, 2017
Number Granted	162,297		324,593
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	March 30, 2018
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10

Type of Scheme	CEO Scheme 2014		
	Category-1 (new Grant)	Category-2	Category-3
Date of grant	March 31, 2017	March 31, 2017	March 31, 2017
Number Granted	245,145	271,529	490,291
Contractual Life			
Vesting Conditions	33% on expiry of 12 months from grant date	100% on expiry of 12 months from grant date	March 31, 2018
	33% on expiry of 24 months from grant date		
	34% on expiry of 36 months from grant date		
Method of Option Valuation	Net Asset Value Method	Net Asset Value Method	Net Asset Value Method
Exercise Price per option	10	10	10
Estimated fair value of share granted	10	10	10



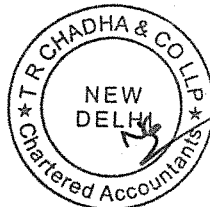
Schedules forming part of financial statements

Scheme	Number of Options Outstanding as on April 1st, 2017	Issued During the year	Cancellation of Options due to resignations / surrender 2017-18	Options Exercised 2017-18	Number of Options outstanding as on March 31st, 2018	Exercisable as at March 31st, 2018
<b>ESOP Scheme 2010*</b>						
- Series-I	1,188,750	-	150,000	-	1,038,750	1,038,750
- Series-II	8,186,250	-	850,000	-	7,336,250	7,336,250
- Series-III	1,300,000	-	-	-	1,300,000	1,300,000
<b>ESOP Scheme 2014*</b>						
- Series-I	7,913,000	-	68,000	268,000	7,577,000	7,577,000
- Series-II	5,496,000	-	1,442,000	429,000	3,625,000	2,448,600
- Series-III	1,623,950	-	271,325	58,575	1,294,050	863,610
- Series-IV	2,716,950	-	286,325	58,575	2,372,050	1,575,090
- Series-V	2,543,940	-	288,755	12,045	2,243,140	1,488,663
- Series-VI	2,032,208	-	381,970	16,289	1,633,949	1,092,019
- Series-VII**	1,446,275.00	-	18,675	-	1,427,600	942,232
- Series-VIII**	1,843,200	-	-	-	1,843,200	608,256
- Series-IX**	633,600	-	-	-	633,600	209,088
- Series-X**	861,120	-	-	-	861,120	284,172
<b>CEO Scheme 2014</b>						
- Series-I	13,116,964	-	-	-	13,116,964	13,116,964
- Series-II	6,883,036	-	-	-	6,883,036	6,300,179
- Series-III	1,285,714	-	-	-	1,285,714	1,140,000
- Series-IV	1,285,714	-	-	-	1,285,714	1,140,000
- Series-V	1,285,714	-	-	-	1,285,714	1,140,000
- Series-VI	1,285,714	-	-	-	1,285,714	1,140,000
- Series-VII	1,999,999	-	-	-	1,999,999	1,854,285
- Series-VIII	1,221,429	-	-	-	1,221,429	948,643
- Series-IX	486,890	-	-	-	486,890	378,151
- Series-X	735,436	271,529	-	-	1,006,965	842,718
<b>Total</b>	<b>67,371,853.00</b>	<b>271,529</b>	<b>3,757,050</b>	<b>842,484</b>	<b>63,043,848</b>	<b>54,764,669</b>

As the fair value of the shares at the date of grant of options is equal to the exercise price no amount has been charged to the Profit and Loss Account.

\* Options including numbers of RHICL Employees and REL Seniors

\*\*Grant excluding the REL options as the same has not been granted till date



**Schedules forming part of financial statements**

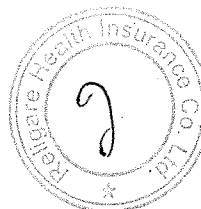
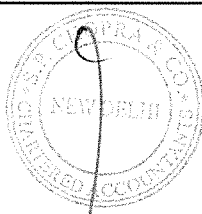
**36 Accounting Ratios prescribed by the IRDA**

Performance Ratios	2017-18 (In Times / %)	2016-17 (In Times / %)
Gross Premium Growth Rate - Health	46%	43%
Gross Premium Growth Rate - PA	91%	28%
Gross Premium Growth Rate - Others	62%	120%
Gross Premium Growth Rate - Total	50%	44%
Gross Direct Premium to Net Worth	3.95	3.26
Growth Rate of Net Worth	24%	30%
Net Retention Ratio - Health	73%	73%
Net Retention Ratio - PA	77%	65%
Net Retention Ratio - Others	81%	79%
Net Retention ratio - Total	74%	73%
Net Commission ratio - Health	-6%	-8%
Net Commission ratio - PA	1%	-11%
Net Commission ratio - Others	6%	-7%
Net Commission Ratio - Total	-5%	-8%
Expenses of Management to Gross Direct Premium	53%	56%
Expenses of Management to Net Written Premium	71%	78%
Net Incurred claims to Net Earned Premium	52%	51%
Combined Ratio	100%	103%
Technical Reserves to Net Premium Ratio	0.62	0.66
Underwriting Balance Ratios	(0.11)	(0.08)
Operating Profit Ratio	-4%	-1%
Liquid Assets to Liability Ratio	0.33	0.57
Net Earning Ratio	-2%	0%
Return on Net Worth	-6%	1%
Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	1.56	1.91
NPA Ratio	NA	NA

**37 Following Expense has been booked for various activities being carried out by Statutory auditors**

(₹ '000)

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Statutory Audit Fees	2,000.00	1,800.00
Tax Audit	100.00	75.00
Out of Pocket Expenses	56.70	141.57
Certification	295.00	250.00
Total	2,451.70	2,266.57



**Schedules forming part of financial statements**

38 Reinsurance ceded premium in Treaties with Net Premium rate (Net of Commission and Expense) is calculated by applying risk proportion on gross written premium. Difference between treaty rate and rate as arrived by applying risk proportion is recognised as Reinsurance Commission.

**39 Provision for Free Look period**

The provision for free look period is duly certified by the appointed actuary

**40 Fair Value Change Account**

Fair Value Change Account represents unrealized gains or losses due to change in fair value of listed equity shares and mutual fund units outstanding at the close of the year.

**41 Allocation of Investment Income**

Investment income is recognized in Profit & Loss Account and Revenue account based on income generated against investments representing securities in policyholder and shareholder's fund.

**42 Allocation of Expenses**

All Operating Expenses except for Medical charges policy issuance as mentioned in Schedule 4 - "Operating Expenses related to Insurance business" have been allocated between Health, PA and Other in the proportion of Net Premium of respective business

43 The amount of foreign exchange (loss)/gain booked in Profit and Loss account is 179 thousands (Previous year (42) thousands).

44 The figures have been rounded off to the nearest thousand, and the Previous year's figures have been regrouped / reclassified in the respective schedules and notes, wherever necessary to conform to the current year's classifications.

**45 Basis of Amortization of Debt Securities**

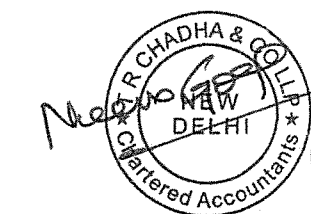
Accretion of discount and amortization of premium relating to debt securities is recognized over the holding/maturity period on a straight line basis and is recognized in the Revenue or Profit & Loss Account.

46 There is no other additional material information required to be disclosed pursuant to the provisions of the Companies Act 2013, The Insurance Act 1938, the insurance Regulatory and Development Authority Act 1999 and applicable regulation / circular / Orders etc.

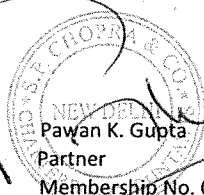
**For T.R. Chadha & Co. LLP**  
Chartered Accountants  
Firm Regn No. : 006711N / N500028

**For S.P. Chopra & Co.**  
Chartered Accountants  
Firm Regn. No. - 000346N


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





Neena Goel  
Partner  
Membership No.: 057986



Pawan K. Gupta  
Partner  
Membership No. 092529

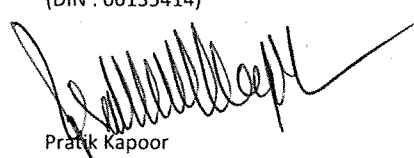
  
Shamsheer Singh Mehta  
Director  
(DIN : 02201929)

  
Anuj Gulati  
Managing Director & CEO  
(DIN : 00278955)

  
Daljit Singh  
Additional Director  
(DIN : 00135414)

  
Pankaj Gupta  
Chief Financial Officer

Place : Gurugram  
Date : 26<sup>th</sup> April 2018

  
Pratik Kapoor  
Company Secretary

## Management Report

In accordance with the provisions of the Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulation) Management Report is submitted for the year ended 31<sup>st</sup> March 2018 :

1. Section 3A of the Insurance Act, 1938 has been amended by the Insurance Laws (Amendment) Act, 2015 to remove the process of annual renewal of the Certificate of Registration issued to Insurers under Section 3 of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015). However, it has been stated that Insurers shall continue to pay such annual fee as may be prescribed by the Regulations. Insurance Regulatory Development Authority of India ("IRDAI") in line with the above amendment issued a general circular stating that Certificate of Registration of the Insurers renewed in 2014, expiring in March 2015, shall continue to be in force from April 1, 2015 subject to payment of renewal fee. It is confirmed that renewal fees for FY 2018-19 has been paid.
2. It is certified that all the dues payable to the statutory authorities up to 31<sup>st</sup> March 2018 have been duly paid.
3. It is confirmed that the shareholding pattern during the year ended 31<sup>st</sup> March 2018 is in accordance with the statutory and regulatory requirements.
4. It is hereby declared that management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. The Company is maintaining the Control Level of Solvency as required under the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and the relevant Regulation as prescribed by the Authority except for the limited period in which there was variation in solvency margin. The Company submitted solvency ratio which was less than control level of solvency as per regulatory requirement as of December 31, 2017. In the month of March 2018, fresh capital was infused in the Company. Solvency position of the Company as at March 31, 2018 was above the Control Level of Solvency as defined in the Regulation
6. It is certified that the values of all the assets have been reviewed on the date of 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 heading – "Loans", "Investments", (wherever applicable) "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents Outstanding", "Interest", "Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "other Accounts".
7. The Investment Risk is managed by creating a portfolio of different asset classes and of varied maturities so as to spread the risk across a wide category of Investee companies. The Company has constituted an Investment Committee, which acts as the policy making body for the Investment operations. The Investment Committee lays down various internal policies and norms governing the functioning of the Investment Department. The Investment Committee periodically discusses the Investment strategy, portfolio structures, performance of the portfolio and related issues. The Investment policy is reviewed regularly in order to align the same with the Company business plans.



## Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

8. It is confirmed that there were no operations of the Company outside India during the year ended 31<sup>st</sup> March 2018.

9. Ageing of claims outstanding and trends in settlement of claims are given below:-

a) Ageing of Claims Outstanding:\*

Financial Year 2016-17:

Age	Number of Claims**	Amount (₹ in Lakhs)
1 Month	42,472	5,101
1-3 Months	1,241	733
3-6 Months	1,208	642
6-12 Months	581	574

Financial Year 2017-18:

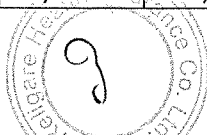
Age	Number of Claims**	Amount (₹ in Lakhs)
1 Month	21,864	3970
1-3 Months	13,893	1664
3-6 Months	9,747	1379
6-12 Months	4283	1773

\* Excluding IBNR provisions, amounts payable to third party administrators.

\*\* Includes reimbursement and cashless claims outstanding.

b) Trend in Settlement of Claims:

Period	2017-18		2016-17		2015-16		Total	
	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs
30 Days	224,883	42,285	127,256	25,437	110,338	17,891	316,141	52,207
30 Days to 6 Months	-	-	-	-	-	-	3,078	1,019
6 Months to 1 Year	-	-	-	-	-	-	18	8
1 Year to 5 Years	-	-	-	-	-	-	-	-
5 Years and Above	-	-	-	-	-	-	-	-
	224,883	42,285	127,256	25,437.38	110,338	17,891.43	319,237	53,233.19



## Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

10. As at 31<sup>st</sup> March 2018, the investments of the Company are mainly in Debt Securities, Bank Deposits, and Mutual Funds. As per the IRDA guidelines, all debt securities are considered as held to maturity and valued at historical cost subject to amortization and Mutual Fund investments are stated at their fair value, being the closing Net Asset Value as at balance sheet date and investments other than those mentioned above are valued at cost. Further, the market value for debt securities as at 31<sup>st</sup> March 2018 has been calculated as per Fixed Income Money Market & Derivatives Association (FIMMDA) Yield curve.
11. Investments are in accordance with the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and Investment) Regulations, 2016. Investment Portfolio consists of Government Securities & State Government Securities (Sovereign Guarantee), State Govt. Guaranteed Loan, Infrastructure Bonds, Housing Sector Bonds, Debt Mutual Funds, unlisted equity shares and Deposits with various Scheduled Banks. There is no Non Performing Asset as at 31<sup>st</sup> March 2018.
12. In compliance with corporate governance guidelines for insurers in India 2016, below are disclosures as mandated by guidelines.

a. Financial and operating ratios:

Particulars	For the Year ended 31st March, 2018
Net Incurred Claims to Net Earned Premium ratio	52%
Net commission to Net written premium ratio	-5%
Expense of Management to net Written Premium ratio	71%

Note: Ratios are calculated basis formulae described in Master Circular on Preparation of financial statements of General insurance Business dated October 2012

b. Solvency ratio:

	₹ Lakhs
Total Available Solvency Margin (ASM)	26,037
Total Required Solvency Margin (RSM)	16,662
Solvency Ratio (Total ASM/Total RSM)	1.56

Note: Solvency Ratio is calculated basis formulae prescribed in IRDAI (Assets, Liabilities, and Solvency Margin of General Insurance Business) Regulations, 2016

c. Financial performance :

Particulars	For the Year ended 31st March, 2018
Gross Premium Growth Rate	50%
Growth rate of Net Worth	24%
Net worth as on 31 <sup>st</sup> march 18	₹ 27,605 Lakhs

Note: Ratios are calculated basis formulae described in Master Circular on Preparation of financial statements of General insurance Business dated October 2012





## Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

### d. Risk Management architecture

The company has a Board Approved Risk Policy which acts as a framework for the companies Risk Architecture and Framework. There are regular reviews at a Functional level to monitor the Risks defined at each Function/Process and corrective steps are immediately taken. The company has A Risk Committee as a part of its Board Committees which on a quarterly basis reviews the Risk Policy, Effectiveness of the Risk Management System and the Exposure to Key Risks that the company is exposed to.

### e. Details of number of claims intimated, disposed off and pending :

Claims Experience	Health	Overseas Travel	Personal Accident	Total
Claims O/S at the beginning of the period	5,222	188	134	5,544
Claims Reported during the period	244,032	2,249	669	246,950
Claims Settled during the period	223,300	1207	376	224,883
Claims Repudiated during the period	21,441	930	275	22,646
Claims Closed during the period	0	0	0	0
Claims O/S at End of the period *	4,513	300	152	4,965
Less than 3 months	3,502	202	128	3,832
3 months to 6 months	899	91	22	1,012
6 months to 1 year	112	7	2	121
1 year and above	0	0	0	0

\* All Cashless Claims Outstanding are shown in settled as the Customer has already availed the service and the payment will be done to the hospital according to the terms of the Agreement

### f. Elements of remuneration package (including incentives) of MD & CEO and all other directors and Key Management Persons

(₹ Lakhs)

Particulars	As at 31.03.2017
Salaries & Allowances	1,288
Contribution to Provident and other funds	42
Perquisites	3



# Religare Health Insurance Company Limited

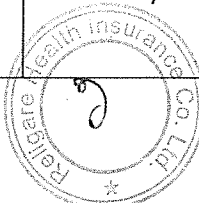


IRDA Registration number 148 dated 26 April, 2012

## g. Payments made to group entities from policyholders funds

(₹ Lakhs)

S. No	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	As at 31st March, 2018
1	Religare Enterprises Limited	Holding Company	Security Deposit Paid	2.0
			Expense Reimbursement to Religare Enterprises Limited	77.7
2	Religare Broking Limited	Fellow Subsidiary	Reimbursement of Expenses to Religare Broking Limited	9.7
3	Religare Finvest Limited	Fellow Subsidiary	Expense Reimbursement to Religare Finvest Limited	0.8
4	Religare Support Services Limited (Merged/Amalgamated with Religare Enterprise Limited)	Fellow Subsidiary	Reimbursement of Expenses to (Allocation of Expenses by) Religare Support Services Limited	272.2
5	Religare Securities Limited (Merged/Amalgamated with Religare Broking Limited)	Fellow Subsidiary	Expense Reimbursement to Religare Securities Limited	10.8
			Commission Expenses	89.6
6	Religare Housing Development Finance Corporation Limited	Subsidiary of Fellow Subsidiary	Reimbursement of Expenses to Religare Housing Development Finance Corporation Limited	0.4
7	SRL Limited (Ceased to be Related Party w.e.f. 29 Dec 2017)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims payment	93.3
8	RHC Holding Private Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Rent & office Maintenance	29.8
			Claims payment	2.3
9	Escorts Heart Institute & Research Centre (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	64.5

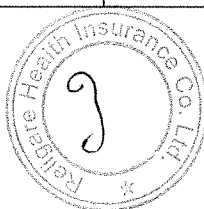


## Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

10	Fortis Healthcare Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	95.4
11	Fortis Hospitals Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	846.7
12	Fortis Malar Hospitals Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	11.7
13	Hiranandani Healthcare Private Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	40.1
14	Fortis C-Doc Healthcare Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	16.9
15	Fortis Health Management Limited (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	12.4
16	DDRC SRL Diagnostics Pvt Ltd (Ceased to be Related Party w.e.f. 29 Dec 2017)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	1.8
17	Fortis Charitable Foundation (Ceased to be Related Party w.e.f. 2 Feb 2018)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	0.1



## Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

13. Payments made to companies and organizations in which directors are interested\* are as under:

Name of the Director	Entity in which Director is interested	Interested As	Nature of Payment	Amount of payment during the financial year (₹ in Lakhs)
NIL				

\* As defined under Section 2(76) of Companies Act, 2013 and applicable Rules thereof.

14. It is hereby confirmed:

- That the Financial Statements have been prepared in accordance with generally accepted accounting principles and policies, applicable accounting standards and current practices prevailing in the insurance industry and there are no material departures.
- That the management has adopted accounting policies and applied them consistently except for calculation of Unearned Premium Reserve. Unearned Premium Reserve represents that part of the net written premium (i.e. premium, net of reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on contract period basis or risk period basis, whichever is appropriate, and is created at 50% of the net written premium (excluding short term expired policy) of preceding twelve months as at the Balance Sheet date, in terms of option granted by the IRDA Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated 4th April, 2016.  
Management have 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 operating Profit or Loss of the Company for the year.
- That 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 (amended by the Insurance Laws (Amendment) Act, 2015) and Companies Act 2013 (erstwhile Companies Act 1956) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- As per the requirement of Circular No. IRDA /F&I /CIR /IFRS /038 /03 /2016 dated 1<sup>st</sup> March, 2016; This is to update that, The company prepared Proforma Ind AS Financials for the period ending as at 31<sup>st</sup> December 2017 and submitted to the Authority. Also as mandated by circular company will submit proforma Ind AS Financials for the period ending as at 31<sup>st</sup> March, 2018 within the timelines specified by Authority.
- That the management has prepared the financial statements on a going concern basis.




## Religare Health Insurance Company Limited




IRDA Registration number 148 dated 26 April, 2012


- f. That the management has ensured that the internal audit system is in commensurate with the size and nature of business and is operating effectively.
- g. That the Company has a separate function called Fraud and Risk Investigation, to safeguard the assets for preventing and detecting fraud and other irregularities.

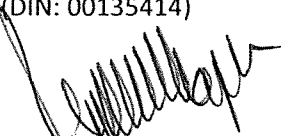
For and on behalf of the Board of Directors

  
Shamsher Singh Mehta  
Director  
(DIN: 02201929)

  
Anuj Gulati  
Managing Director & CEO  
(DIN: 00278955)

  
Daljit Singh  
Additional Director  
(DIN: 00135414)

  
Pankaj Gupta  
Chief Financial Officer

  
Pratik Kapoor  
Company Secretary

Place : Gurugram  
Date : 26<sup>th</sup> April 2018

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customerfirst@religarehealthinsurance.com



**Religare Health Insurance Company Limited**

Registered Office: 5th Floor, 19 Chawla House, Nehru Place, New Delhi-110019

Correspondence Office: Vipul Tech Square, Tower C, 3rd Floor, Golf Course Road,  
Sec-43, Gurgaon-122009 (Haryana)



**RELIGĀRE**  
Values that bind

Health  
Insurance

*Ab Health Hamesha*