



9th  
Annual Report  
2015-16



**Religare Health Insurance Company Limited**

<b>Contents.....</b>	
<b>Director's Report .....</b>	<b>1</b>
<b>Auditor's Report .....</b>	<b>40</b>
<b>Financials .....</b>	<b>48</b>

## DIRECTOR'S REPORT

Dear Members,  
Religare Health Insurance Company Limited

Your Directors have pleasure in presenting the Ninth Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2016.

### FINANCIAL RESULTS

(Rs. in Crores)

Particulars	2015-16	2014-15
Gross Written Premium	503.32	275.80
Net Written Premium	359.67	229.05
<b>Net Earned Premium (A)</b>	<b>287.72</b>	<b>153.72</b>
Net Incurred Claims (B)	164.72	93.97
Net Commission (C)	(24.58)	19.89
Expenses (D)	260.32	160.12
Investment & Other Income (E)	33.90	21.01
Profit / (Loss) Before Tax (A-B-C-D+E)	(78.84)	(99.25)
Provision for tax	0	0.01
Profit / (Loss) After Tax	(78.84)	(99.26)

### FUTURE OUTLOOK

In Financial year 2016-17, the industry is expected to grow at a steady pace in line with the growth seen in FY 2015-16. To achieve this, your Company plans to focus on increasing its distribution footprints through various Channels such as Agency, Banks, Brokers and Online.

### 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.

- During its fourth year and third full fiscal year of operations, your Company has focused 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 56 branches.
- During financial year 2015-16, your Company has under-written premium of Rs. 503.32 Crores.
- Total employee strength of your Company as on 31st March 2016 is more than 2,200.
- Your Company has tied up with more than 4,750 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.

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

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

#### **INVESTMENTS**

Your company has made investments in compliance with IRDAI Investment Regulations and total Asset under management as on 31st March, 2016 stands at Rs. 453.29 Crore (including deposit with banks amounting to Rs. 67.07 Crore).

#### **SHARE CAPITAL**

The authorized share capital of your Company has been raised to Rs. 500,00,00,000 (Rupees Five Hundred Crores only) divided into 50,00,00,000 equity shares (Fifty Crores only) of Rs. 10/- each (Rupees Ten only) from Rs. 400,00,00,000 crores (Rupees Four Hundred Crores only) divided into 40,00,00,000 (Forty Crores only) of Rs. 10/- each (Rupees Ten only).

During the year your Company has raised Rs. 125,00,00,000 (Rupees One Hundred and Twenty Five crores only) by allotting 12,50,00,000 (Twelve Crore Fifty Lacs only) equity shares of Rs. 10 each in five equal tranches to the existing shareholders in the existing ratio and during the year the Company has even allotted 70,000 Equity Shares of Rs. 10/- each to an ex- employee of the Company pursuant to his exercise of the ESOP option. , 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)
July 04, 2015	Right issue to the existing shareholders in their existing ratio	2 Crore 50 Lacs Equity Shares of Rs.10 each	25,00,00,000 (Rs. Twenty Five Crores only)	375,00,00,000
September 30, 2015	Right issue to the existing shareholders in their existing ratio	2 Crore 50 Lacs Equity Shares of Rs.10 each	25,00,00,000 (Rs. Twenty Five Crores only)	400,00,00,000
November 30, 2015	Right issue to the existing shareholders in their existing ratio	2 Crore 50 Lacs Equity Shares of Rs.10 each	25,00,00,000 (Rs. Twenty Five Crores only)	425,00,00,000
February 02, 2016	Right issue to the existing shareholders in their existing ratio	2 Crore 50 Lacs Equity Shares of Rs.10 each	25,00,00,000 (Rs. Twenty Five Crores only)	450,00,00,000
February 02, 2016	ESOP allotment to Ex-employee	70,000 ( Seventy thousand Equity shares of Rs. 10 each)	7,00,000 ( Rs. Seven lac only)	450,07,00,000
March 30, 2016	Right Issue to the existing shareholders in their existing ratio	2 Crore 50 Lacs Equity Shares of Rs.10 each	25,00,00,000 (Rs. Twenty Five Crores only)	475,07,00,000

The paid up equity share capital of your Company as on March 31, 2016 is Rs. 475,07,00,000 (Rupees Four Hundred and Seventy Five Crores and Seven Lacs only) divided into 47,50,70,000 (Forty Seven Crores Fifty Lacs and Seventy Thousand only) of Rs. 10 each (Rupees Ten each only).

#### **TRANSFER TO RESERVES**

Your Company had not transferred towards the reserves and surplus during the financial year 2015-2016.

#### **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.

### **DIRECTORS**

As per the rotation policy agreed between the Company and its shareholders, during the year Mr. Rajendra Kumar Choudhary, Nominee from Union Bank of India was appointed as Nominee Director on March 24, 2015 for a period of six (6) months and his tenure was completed on September 23, 2015.

Post completion of the tenure of Mr. Rajendra Kumar Choudhary, Mr. Mohammed Abdul Rasheed, Nominee from Corporation Bank of India was appointed as Nominee Director on October 09, 2015 for a period of six (6) months.

During the year, the members in its last Annual General Meeting held on May 27, 2015 approved the appointment of Ms. Hiroo Mirchandani as an Independent Director not liable to retire by rotation. The company had received requisite declaration and disclosures under the Companies act, 2013 from Ms. Hiroo Mirchandani.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sunil Godhwani and Mr. Ravi Mehrotra are liable to retire by rotation as Directors at the ensuing Annual General Meeting and are eligible for re-appointment and have offered themselves for re-appointment. The Board also recommends their re-appointment in the forthcoming Annual General Meeting.

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

### **COMPOSITION**

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, 2016, the Board of Directors of the Company consists of eight (8) Directors comprising one (1) Managing Director & CEO and remaining seven (7) are other Directors. The other Directors comprises of One (1) Bank Nominee Rotational Director, three (3) Independent Directors constituting one(1) women director and four (4) rotational directors including the Bank nominee director.

### **COMMITTEES OF THE BOARD**

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

- Audit Committee;
- Investment Committee;
- Risk Management Committee; and
- Policyholders Protection Committee;

In addition, the Company has constituted following non-mandatory committees:

- Nomination and Remuneration Committee (formerly known as Remuneration / Compensation Committee)
- Allotment Committee

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 2015-16 and the attendance at each meeting of the Board and its Committees are as under:

#### **A. BOARD OF DIRECTORS**

During the year, your Company held four (4) Board Meetings i.e. on April 28, 2015, July 28, 2015, October 27, 2015 and January 29, 2016. The brief details are as under:

<b>S No.</b>	<b>Name of the Director</b>	<b>Qualification</b>	<b>Field of specialization</b>	<b>Category</b>	<b>No. of meetings attended</b>
1.	Mr. Sunil Godhwani	Graduate in Chemical Engg., M.B.A	Finance	Non-Executive Director	2
2	Mr. Ravi Mehrotra	B.Com. PGDBM	Finance & General Management	Non-Executive Director	3
3	Mr. Anuj Gulati	B. Tech, IIT Delhi, PGDBM, IIM Bangalore	Insurance Sector	Managing Director & CEO	4
4	Mr. Kamlesh Dangi	PG in HR	Human Resource	Director	4
5	Mr. Sham Lal Mohan	B.Sc Mechanical Engg. and All (General), Insurance Institute of India, Mumbai	Insurance Sector	Independent Director	4
6.	Lt. Gen. (Retd.) S S Mehta	M. Sc. (Defence Studies)	Defence	Independent Director	4
7.	Mr. R. K. Choudhary*	M.com, CAIIB	Banking	Nominee	1

				Director	
8.	Ms. Hiroo Mirchandani	B.Com(Hon.), MBA	Consulting and Advisory	Independent Director	4
9.	Mohammed Abdul Rasheed**	M.A., M.B.A., CAIIB, P.G. Diploma in IRPM	Banking	Nominee Director	2

\*Appointed as Bank nominee director on March 24, 2015 and completed his tenure on September 23, 2015

\*\*Appointed as Nominee Director w.e.f. October 09, 2015.

#### **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 process both on an annual and quarterly basis.

During the year, the Committee held four (4) meetings i.e. on April 27, 2015, July 28, 2015, October 27, 2015 and January 29, 2016. 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. Sunil Godhwani	1
4	Mr. Ravi Mehrotra	3
5	Ms. Hiroo Mirchandani	4

#### **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 28, 2015, July 28, 2015, October 27, 2015 and January 29, 2016. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Mr. Ravi Mehrotra	4



2	Mr. Anuj Gulati	4
3	Mr. R.K. Choudhary*	2
4	Mr. Pankaj Gupta	4
5	Mr. Nitin Katyal	4
6	Mr. Joydeep Saha	4
7	Mr. Mohammed Abdul Rasheed**	2

\*Appointed in Committee on March 24, 2015 as a Bank Nominee Director and tenure completed on September 23, 2015.

\*\*Appointed as Bank Nominee Director w.e.f. October 09, 2015

#### **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 28, 2015, July 28, 2015, October 27, 2015 and January 29, 2016. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Mr. S. L. Mohan	4
2	Mr. Ravi Mehrotra	4
3	Mr. Anuj Gulati	4
4	Mr. Kamlesh Dangi	4

#### **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 28, 2015, July 28, 2015, October 27, 2015 and January 29, 2016, the details are as under:

Further, during the year due to the appointment of Ms. Hiroo Mirchandani, the Committee was reconstituted.

Sr. No.	Name of the member	No. of meetings attended
1	Lt. Gen. (Retd.) S. S. Mehta	4

2	Mr. Sunil Godhwani	1
3	Mr. Anuj Gulati	4
4	Mr. Kamlesh Dangi	4
5	Ms. Hiroo Mirchandani	4

**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. It's one of the major role 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 Remuneration/Compensation Committee held only 1(one) meeting i.e. on April 27, 2015. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1.	Lt. Gen. (Retd.) S.S. Mehta	1
2.	Mr. Sunil Godhwani	1
3.	Mr. Kamlesh Dangi	1
4.	Mr. S. L. Mohan*	----

\*Mr. S. L. Mohan was appointed as the member of the committee w.e.f. April 27, 2015

**ALLOTMENT COMMITTEE**

The major role of the Committee is to assist the Board in the allotment of shares. During the year the Committee held ten (10) meetings i.e. on May 29, 2015, July 04, 2015, August 19, 2015, September 30, 2015, November 05, 2015, November 30, 2015, January 11, 2016, January 29, 2016, February 02, 2016, March 30, 2016. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Mr. Sunil Godhwani	8
2	Mr. Anuj Gulati	10
3	Mr. Kamlesh Dangi	4

### **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, CFO and Mr. Pratik Kapoor, Company Secretary as KMP of the Company.

### **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 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 AND REMUNERATION POLICY**

The Board of Directors in its meeting held on July 28, 2014 had adopted the Director's Appointment and Remuneration Policy. This policy has been framed as per requirement of Sections 134, 178, Schedule IV of the Companies Act, 2013 read with applicable Regulations under the Act. The Salient feature of the Policy is as follows:

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 of the Board as a whole and its individual members.

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.

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 27, 2015 and April 28, 2015, evaluated the Board and the Committee(s). Also, in the Board Meeting, the Peer Evaluation was done on April 28, 2015.

#### **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 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 complaints during the financial year 2015-16.

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

The Company has in place an Anti-Sexual Harassment Policy ('Policy') 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 2015-16:

- a) No. of complaints received: 0
- b) No. of complaints disposed off: 0

#### **EMPLOYEES STOCK OPTION SCHEME**

The details of the Employees Stock Option Scheme of the Company are as under:

## **EMPLOYEES STOCK OPTION SCHEME**

The details of the Employees Stock Option Scheme of the Company are as under:

PARTICULARS	DETAILS
Options granted	34,158,485 (Granted in FY15-16)
Options vested	8,479,286
Options exercised	70,000
The total no. of shares arising as a result of exercise of option	70,000
Options lapsed	1,775,000 (includes lapsed & cancelled both)
The exercise price	Rs. 10 for all others For CEO Performance Pool- Per share price arrived by dividing following at time of exit event a. capital invested each year grown at 13% till exit event (compounded growth) by b. fully diluted share capital
Variation of terms of options	As per various schemes approved by the members in Annual General Meeting held on July 25, 2014
Money realized by exercise of options	0
Total no. of options in force	67,067,823
Employee wise details of options granted:	
(i) Key Managerial Personnel	CEO- 13,311,606 (Granted in FY15-16) CFO- 784,425 (Granted in FY15-16)
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	Only CEO
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital( excluding outstanding warrants and conversions) of the company at the time of grant.	Nil

## **AUDITORS**

As per Corporate Governance guidelines issued by Insurance Regulatory Development Authority of India, the Company is required to have two statutory auditors on a joint audit and the tenure for one of the joint auditors may be 5 years and the other 4 years in first instance.

The current statutory auditors i.e. M/s S. S. Kothari Mehta & Co. and M/s T. R. Chadha & Co., Chartered Accountants shall complete the tenure of 4 years at the forthcoming Annual General Meeting.

In accordance to the guidelines, it was proposed to re-appoint M/s T. R. Chadha & Co. as Statutory Auditors which retire at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Statutory Auditors, if re-appointed.

In addition to this, since M/s S. S. Kothari Mehta & Co. shall complete its tenure at the forthcoming Annual General Meeting, hence it is proposed to appoint M/s. S. P. Chopra & Co. as Statutory Auditor of the Company.

The Auditors have furnished a certificate of their eligibility for re-appointment and appointment under Section 141 of the Companies Act, 2013 and in terms of IRDAI Circular No. 36/F&A/EMPL/74/July05 dated July 25, 2005 and have indicated their willingness to hold the said office.

The Board recommends the re-appointment of M/s T R Chadha & Co. LLP, Chartered Accountants and appointment of M/s. S. P. Chopra & Co., Chartered Accountants as Joint Statutory Auditors of your Company.

#### **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, Practising Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2015-16. The Report of the Secretarial Audit Report is enclosed as **Annexure A**. 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.

#### **INTERNAL CONTROLS**

Your Company has adequate system of Internal control in place.

Internal Financial Controls are part and partial of process and system procedures. It is being monitored by the Company on frequent basis. The Internal audit is conducted to examine the adequacy, relevance and effectiveness of control systems, compliance with policies, plans and statutory requirements.

#### **RISK MANAGEMENT**

Risk Policy of the Company has been approved and reviewed by the Board. Policy elaborates the detail 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, 2016, 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 estimated 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.

#### **EXTRACT OF ANNUAL RETURN**

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

#### **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 2015-2016 is Rs. Nil and the Foreign Exchange outgo in terms of actual outflows during the year 2015-2016 is Rs. 5.62 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 shares 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 need attention.
- The Board Designee also presented the summary report to the Board of the 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 does 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.

**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 C**.

**CERTIFICATION UNDER IRDAI CORPORATE GOVERNANCE GUIDELINES**

As per Corporate Governance Guidelines for Insurance Companies- Amendment No. 1 dated January 29, 2010, 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 D**.



**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, the auditors of your Company, Banks, other Government Authorities 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/-  
Sunil Godhwani  
Director**

**Sd/-  
Anuj Gulati  
Managing Director & CEO**

Place: New Delhi  
Dated: April 28, 2016

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

*[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 31<sup>ST</sup> MARCH, 2016

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 31<sup>st</sup> March, 2016, has 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 the Company for the financial year ended on 31<sup>st</sup> March, 2016, according to the provisions of:

CORPORATE OFFICE

D-28 South Extn. Part-I, New Delhi - 110049 India | T : +91 11 40622200 | F : +91 11 40622201 | E : info@piassociates.co.in

LOCATIONS

Bengaluru | Bhubaneswar | Hyderabad | Indore | Kolkata | Pune | Trivandrum | Lucknow | Ludhiana | Vadodara

- (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)*
- (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, 1992 and 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)*
- (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:



CORPORATE OFFICE

0-28 South Extn. Part-I, New Delhi - 110049 India | T : +91 11 40622200 | F : +91 11 40622201 | E : info@piassociates.co.in

LOCATIONS

Bengaluru | Bhubaneswar | Hyderabad | Indore | Kolkata | Pune | Trivandrum | Lucknow | Ludhiana | Vadodara

- 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

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.

**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.

CORPORATE OFFICE

D-28 South Extn. Part I, New Delhi - 110049 India | T: +91 11 40622200 | F: +91 11 40622201 | E: info@pisassociates.co.in

LOCATIONS

Bengaluru | Bhubaneswar | Hyderabad | Indore | Kolkata | Pune | Trivandrum | Lucknow | Ludhiana | Vadodara

**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.

**We further report that** during the audit period the Company came out with rights issue in 5 (Five) equal tranches of 25,000,000 (Two Crores Fifty Laacs only) shares of Rs. 10/- each amounting to a total of Rs. 1,250,000,000/- (Rupees One Hundred and Twenty Five Crores only) for which the Company had complied with the provisions of laws mentioned hereinabove.

**For M/s PI & Associates,  
Practicing Company Secretaries**



**Nitosh Latwal**

**Partner**

**ACS No.: A32109**

**C P No.: 16276**

Date: 27<sup>th</sup> April, 2016

Place: New Delhi

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

**CORPORATE OFFICE**

D 29 South Extn. Part-I, New Delhi - 110049 India | T : +91 11 40622200 | F : +91 11 40622201 | E : info@piassociates.co.in

**LOCATIONS**

Bengaluru | Bhubaneswar | Hyderabad | Indore | Kolkata | Pune | Trivandrum | Lucknow | Ludhiana | Vadodara

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**

  
**Nitesh Latwal**  
Partner

**ACS/FCS No.: A32109**

**C P No.: 16276**

Place: New Delhi  
Date: 27<sup>th</sup> April, 2016

**CORPORATE OFFICE**

D-28 South Extn. Part-I, New Delhi - 110049 India | T : +91 11 40622200 | F : +91 11 40622201 | E : info@piassociates.co.in

**LOCATIONS**

Bengaluru | Bhubaneswar | Hyderabad | Indore | Kolkata | Pune | Trivandrum | Lucknow | Ludhiana | Vadodara

**Annexure B**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on March 31, 2016**

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

(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

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	D3, P3B, District Center, Saket, New Delhi-110017 Tel No. 011-39115000
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 – 500 008 P : +91 040 67161500

**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.	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	89.987%	2(46)

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				No. of shares held at the end of the year			% Change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	



<b>A. Promoters</b>									
<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>	315,000,000	-	315,000,000	90	427,500,000	-	427,500,000	89.987	0.013
e) Bans/FI									
<b>Sub -Total (A)(1):</b>	<b>315,000,000</b>	<b>-</b>	<b>315,000,000</b>	<b>90</b>	<b>427,500,000</b>	<b>-</b>	<b>427,500,000</b>	<b>89.987</b>	<b>0.013</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-----	-	-----	----	-----	----	-----	-----	-----
b) other - individuals	-----	-	-----	----	-----	----	-----	-----	-----

		-							
c) Bodies Corporate	-----	-	-----	-----	-----	-	-----	-----	-----
		-				-			
		-				-			
		-				-			
		-				-			
d) Banks / FI	-----	-	-----	-----	-----	-	-----	-----	-----
		-				-			
		-				-			
		-				-			
e) Any Other...	-----	-	-----	-----	-----	-	-----	-----	-----
		-				-			
		-				-			
		-				-			
Sub-Total (A)(2)	-----	-	-----	-----	-----	-	-----	-----	-----
		-				-			
		-				-			
		-				-			
<b>Total Shareholding of Promoters(A) = (A)(1)+(A)(2)</b>	<b>315,000,000</b>	<b>-</b>	<b>315,000,000</b>	<b>90</b>	<b>427,500,000</b>	<b>-</b>	<b>427,500,000</b>	<b>89.987</b>	<b>0.013</b>
<b>B. Public Shareholding</b>	-----	-	-----	-----	-----	-	-----	-----	-----
		-				-			
		-				-			
		-				-			
<b>(1) Institutions</b>	-----	-	-----	-----	-----	-	-----	-----	-----
		-				-			
		-				-			
		-				-			
a) Mutual Funds /UTI	-----	-	-----	-----	-----	-	-----	-----	-----
		-				-			
		-				-			

		-							
		-							
b) Banks/ FI									
i. Union Bank of India	17,500,000	-	17,500,000	5	23,750,000	-	23,750,000	4.999	0.001
ii. Corporation bank of India	17,500,000	-	17,500,000	5	23,750,000	-	23,750,000	4.999	0.001
c) Central Govt.	-----	-	-----	-----	-----	-	-----	-----	-----
d) Venture Capital Funds	-----	-	-----	-----	-----	-	-----	-----	-----
e) Venture Capital Funds	-----	-	-----	-----	-----	-	-----	-----	-----
f) Insurance Companies	-----	-	-----	-----	-----	-	-----	-----	-----
g) FIIs	-----	-	-----	-----	-----	-	-----	-----	-----
h) Foreign Venture Capital Funds	-----	-	-----	-----	-----	-	-----	-----	-----

		-						
i) Any Other...	-----	-	-----	-----	-----	-----	-----	-----
		-						
		-						
		-						
		-						
<b>Sub-total (B)(1):</b>	35,000,000	-	35,000,000	10	47,500,000	--	47,500,000	9.998
		-						
		-						
<b>(2) Non-Institutions</b>	-----	-	-----	-----	-----	-----	-----	-----
		-						
		-						
		-						
		-						
<b>a) Bodies Corporate</b>	-----	-	-----	-----	-----	-----	-----	-----
		-						
		-						
		-						
I) Indian	-----	-	-----	-----	-----	-----	-----	-----
		-						
		-						
		-						
II) Overseas	-----	-	-----	-----	-----	-----	-----	-----
		-						
		-						
		-						
<b>b) Individuals</b>								
i. Individual Shareholders holding nominal share capital upto 1 Lakh	-----	-	-----	-----	-----	-----	-----	-----
		-						
		-						
		-						
ii. Individual	-----	-	-----	-----	70,000	---	70,000	0.015
		-						

at Shareholders holding nominal share capital in excess of 1 lakh  (allotted to Ex. Employee)		-		-		-			
<b>c) Others (specify)</b>									
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 Partnership	-----	-	-----	----	-----	----	-----	----
viii.	Foreign Portfolio Investor (Corporate)	-----	-	-----	----	-----	----	-----	----
ix.	Qualified Foreign Investor	-----	-	-----	----	-----	----	-----	----
<b>Sub-Total (B)(2)</b>		-----	-	-----	--	70,000	-	70,000	0.015
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>		-----	-	-----	----	-----	----	-----	----
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		-----	-	-----	----	-----	----	-----	----
<b>Grand Total (A+B+C)</b>		350,000,000	-	350,000,000	100	475,070,000	-	475,070,000	100

--	--	--	--	--	--	--	--

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			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	31,50,00,000	90.00%	Nil	42,75,00,000	89.987%	Nil
<b>Total</b>	<b>31,50,00,000</b>	<b>90.00%</b>	<b>Nil</b>	<b>42,75,00,000</b>	<b>89.987%</b>	<b>Nil</b>

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 • Religare Enterprises Limited	31,50,00,000	90%	31,50,00,000	90%
	Jul 04, 2015			

	Religare Enterprises Limited	2,25,00,000	Right issue of 2 crore 25 lakh Equity shares of Rs. 10each	90%	337,500,000	90%
	<b>Sep 30,2015</b>					
	Religare Enterprises Limited	2,25,00,000	Allotment of 2crore 25 lakh Equity shares of Rs. 10each through right issue	90%	360,000,000	90%
	<b>Nov 30, 2015</b>					
	Religare Enterprises Limited	2,25,00,000	Allotment of 2crore 25 lakh Equity shares of Rs. 10each through right issue	90%	382,500,000	90%
	<b>Feb 02,2016</b>					



	Religare Enterprises Limited	2,25,00,000	Allotment of 2 crore 25 lakh Equity shares of Rs. 10each through right issue	90%	405,000,000	90%
	<b>Mar 30,2016</b>					
	Religare Enterprises Limited	2,25,00,000	Allotment of 2 crore 25 lakh Equity shares of Rs. 10each through right issue	89.987%	427,500,000	89.987%
At the end of the year	<ul style="list-style-type: none"> <li>Religare Enterprises Limited</li> </ul>			89.987%	427,500,000	

**(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	No. of Shares	% of total shares of the company
Union Bank of India	17,500,000	5%	23,750,000	4.999%
Corporation Bank	17,500,000	5%	23,750,000	4.999%

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	Mr. Sunil Ghodhwani jointly with Mr. Amit Sarup  ( Director of Religare Enterprises Limited holding 100 shares of Rs.10 each as a nominee of Religare Enterprises Limited	100	0%	100	0%
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	Mr. Sunil Ghodhwani  ( Director of Religare Enterprises Limited holding 100 shares of Rs.10 each as a nominee of Religare Enterprises Limited	100	Nil	100	Nil

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (as on March 31, 2016)

	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
• Addition				
• Reduction				
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, 2016)

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

S No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount

		Mr. Anuj Gulati	
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	3,51,98,212  32400  Nil	
2.	Stock Options	13,311,606 (Granted in FY15-16)	
3.	Sweat Equity	Nil	
4.	Commission - as % of profit - others, specify...	Nil	
5.	Others, please specify		
	Total (A)		
	Ceiling as per the Act	Governed by Section 34A of Insurance Act	

B. Remuneration to other directors:

S.No	Particulars of Remuneration	Name of the Directors			Total Amount
		Mr. S.L. Mohan	Lt. Gen.(Retd) S.S. Mehta	Ms. Hiroo Mirchandani	
	Independent Directors Fees for attending Committee meetings and Board Meetings	Rs. 4,80,000	Rs. 5,20,000	4,80,000	

	Commission	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	
	<b>Total (B)(1)</b>			Nil	
	Other Non-Executive Directors Fees for attending Board Meetings/ Committee Meetings Commissions Others, Please specify	Nil	Nil	Nil	
	<b>Total (B)(2)</b>	Nil	Nil	Nil	
	<b>Total B = (B)(1) + (B)(2)</b>	Rs. 4,80,000	Rs. 5,20,000	4,80,000	

**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	3,51,98,212  32400  Nil	11,83,504  Nil  Nil	1,32,21,581  39600  Nil
2.	Stock Options	13,311,606 (Granted in FY15-16)	Nil	784425 (Granted in FY15-16)
3.	Sweat Equity	Nil	Nil	Nil

4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
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>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	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/-

sd/-

**Sunil Godhwani  
Director**

**Anuj Gulati  
Managing Director & CEO**

Place: New Delhi  
Dated: April 28, 2016

Certification for compliance of the Corporate Governance Guidelines

To,  
The Members,  
Religare Health Insurance Company Limited

I, Pratik Kapoor, hereby certify that your Company has complied with the Corporate Governance Guidelines, as applicable for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Sd/-  
Pratik Kapoor  
Company Secretary

Place: New Delhi  
Date: April 28, 2016



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

S S Kothari MehtaCo.  
Chartered Accountants  
146-148, Tribhuvan Complex,  
Ishwar Nagar, Mathura Road  
New Delhi-110065

**Religare Health Insurance Company Limited**

**CIN: U6600DL2007PLC161503**

**Registration No. 148, Date of Registration with IRDA: April 26, 2012**

**Independent Auditors' Report to the Members of Religare Health Insurance  
Company Limited**

---

**Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of Religare Health Insurance Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account of the Company for the year then ended, and Notes to the Financial Statements comprising of a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 read with provisions of Section 11 of the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority (IRDA) regulations/Guidelines/Circulars/Orders.
3. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

S S Kothari MehtaCo.  
Chartered Accountants  
146-148, Tribhuvan Complex,  
Ishwar Nagar, Mathura Road  
New Delhi-110065

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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.
6. 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.

#### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements are prepared in accordance with and give the information required by the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, read with the applicable provisions of the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
  - b) In the case of revenue accounts of the deficit of the year ended on that date
  - c) In the case of Profit and Loss Account, the Loss for the year ended on that date; and
  - d) In the case of Receipts and Payments Account, of the receipts and payments for the year ended on that date.

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

8. 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.
9. As required by IRDA (Preparation of Financial Statement & Auditor's Report of Insurance Companies Regulation), 2002 and section 143(3) of the Companies Act, 2013 we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

S S Kothari MehtaCo.  
Chartered Accountants  
146-148, Tribhuvan Complex,  
Ishwar Nagar, Mathura Road  
New Delhi-110065

- c. As the Company's accounts are centralized and maintained by Corporate Office, 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 and Loss Account and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account;
- e. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 read together with IRDA Regulations/Circulars/Orders;
- f. The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipt and Payments Account have been drawn up in accordance with Insurance Act, 1938, Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies ) Regulations, 2002 (the regulations) and the Companies Act, 2013;
- g. 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 valuation are appropriate and are in accordance with the requirements of the Insurance Regulatory and Development Authority [IRDA] and Actuarial Society of India in concurrence with IRDA. We have relied on the appointed Actuary's certificate in this regard
- h. Investments of the Company have been valued in accordance with the Provisions of the Insurance Act 1938 and the Regulations.
- i. The accounting policies selected by the Company are appropriate and are in compliance with the applicable accounting standards 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 or any order or direction issued by the IRDA in this behalf;
- j. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- k. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- l. 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 does not have any pending litigations which would impact its financial position;

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

S S Kothari MehtaCo.  
Chartered Accountants  
146-148, Tribhuvan Complex,  
Ishwar Nagar, Mathura Road  
New Delhi-110065

- 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.
10. Further, according to the information and explanations given to us and to the best of our knowledge and belief, we certify that:
- i. We have reviewed the Management Report attached to the financial statements for the period ended March 31, 2016 and there is no apparent mistake or material inconsistency therein with the financial statements;
  - ii. Based on the information and explanations received during the course of our audit, management representations by officers of the Company charged with compliance and compliance certificates issued by management, 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 IRDA, vide their letter dated April 26, 2012.
11. As required by the Regulations, we set out in the Annexure B statement certifying 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.

**For S S Kothari Mehta & Co.**  
Chartered Accountants  
(Firm Registration No. 000756N)

**For T R Chadha & Co LLP**  
Chartered Accountants  
(Firm Registration No. 006711N/  
N500028)

Sd/-

Sd/-

**KK Tulshan**  
**Partner**  
**Membership No.: 085033**

**Neena Goel**  
**Partner**  
**Membership No.: 057986**

Place: New Delhi

Date: 28<sup>th</sup> April 2016

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

S S Kothari Mehta & Co.  
Chartered Accountants  
146-148, Tribhuvan Complex,  
Ishwar Nagar, Mathura Road  
New Delhi-110065

**Religare Health Insurance Company Limited**

**CIN: U6600DL2007PLC161503**

**Registration No. 148, Date of Registration with IRDA: April 26, 2012**

**“Annexure A” to the**

**Independent Auditors’ Report to the Members of Religare Health Insurance  
Company Limited dated 28<sup>th</sup> April 2016**

---

**Annexure A to the Independent Auditor’s Report to the members of Religare Health  
Insurance Company Limited dated 31/03/2016**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of  
the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal  
and Regulatory Requirements’ section**

We have audited the internal financial controls over financial reporting of **RELIGARE HEALTH  
INSURANCE COMPANY LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our  
audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

### **Auditors' 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 ICAI 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:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) 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

- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

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

**For S S Kothari Mehta & Co.**  
Chartered Accountants  
(Firm Registration No. 000756N)

**For T R Chadha & Co LLP**  
Chartered Accountants  
(Firm Registration No. 006711N/  
N500028)

Sd/-

Sd/-

**K K Tulshan**  
Partner  
Membership No.: 085033

**Neena Goel**  
Partner  
Membership No.: 057986

Place: New Delhi

Date: 28<sup>th</sup> April 2016

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

S S Kothari Mehta & Co.  
Chartered Accountants  
146-148, Tribhuvan Complex,  
Ishwar Nagar, Mathura Road  
New Delhi-110065

**Religare Health Insurance Company Limited**

**CIN: U6600DL2007PLC161503**

**Registration No. 148, Date of Registration with IRDA: April 26, 2012**

**Annexure B**

**Auditor's Certificate**

(Referred to in the Auditors' Report to the members of Religare Health Insurance Company Limited (the 'Company') on the financial statements for the year ended March 31, 2016)

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 and records maintained by Religare Health Insurance Company Limited for the year ended March 31, 2016, we certify that:

- a) 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, the same have been verified on the basis of the dematerialized statement/confirmations received from the custodian;
- b) The company is not the trustee of any trust; and;
- c) No part of the assets of the policyholders' fund has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938 relating to the application and investment of the policyholders' fund.

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

**For S S Kothari Mehta & Co.**  
Chartered Accountants  
(Firm Registration No. 000756N)

**For T R Chadha & Co LLP**  
Chartered Accountants  
(Firm Registration No. 006711N/  
N500028)

Sd/-

Sd/-

**K K Tulshan**  
**Partner**  
**Membership No.: 085033**

**Neena Goel**  
**Partner**  
**Membership No.: 057986**

Place: New Delhi

Date: 28<sup>th</sup> April 2016



MISCELLANEOUS BUSINESS REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2016

S. No	Particulars	Schedule	For the Year ended 31st March, 2016 (₹ '000)	For the Year ended 31st March, 2015 (₹ '000)
1	Premiums earned (Net)	1	2,877,272.4	1,537,227.6
2	Profit/ loss on sale/redemption of investments		15,789.2	14,735.8
3	Others (to be specified)		-	-
4	Interest, dividend & rent – Gross		231,295.6	111,874.6
	<b>TOTAL (A)</b>		<b>3,124,357.2</b>	<b>1,663,838.0</b>
1	Claims incurred (Net)	2	1,647,188.6	939,665.5
2	Commission	3	(245,818.6)	198,975.1
3	Operating expenses related to insurance business	4	2,570,513.3	1,572,070.2
4	Premium deficiency		-	-
	<b>TOTAL (B)</b>		<b>3,971,883.3</b>	<b>2,710,710.8</b>
	<b>Operating profit/(loss) from Miscellaneous business C= (A - B)</b>		<b>(847,526.1)</b>	<b>(1,046,872.8)</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' account		(847,526.1)	(1,046,872.8)
	Transfer to catastrophe reserve		-	-
	Transfer to other reserves		-	-
	<b>TOTAL (C)</b>		<b>(847,526.1)</b>	<b>(1,046,872.8)</b>
	<b>Significant Accounting Policies and Notes to Accounts</b>	<b>16</b>		

As required by Sec 40C(2) of the Insurance Act, 1938, we certify that to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the company's books of accounts, all expenses of management, wherever incurred, whether directly or indirectly, have been fully recognised in the Revenue Accounts as an expense.

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

For S.S. Kothari Mehta & Co.  
Chartered Accountants  
Firm Regn No. : 000756N

For and on behalf of the Board of Directors

Sd/-  
Neena Goel  
Partner  
Membership No. : 057986

Sd/-  
K.K. Tulshan  
Partner  
Membership No. : 085033

Sd/-  
Shamsher Singh Mehta  
Director  
{DIN : 02201929}

Sd/-  
Anuj Gulati  
Managing Director & CEO  
{DIN : 00278955}

Sd/-  
Pervcz Bajan  
Additional Director  
{DIN : 07474238}

Sd/-  
Pankaj Gupta  
Chief Financial Officer

Place : New Delhi  
Date : 28th April 2016

Sd/-  
Pratik Kapoor  
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH 2016

S. No	Particulars	Schedule	For the Year ended 31st March, 2016 (₹ '000)	For the Year ended 31st March, 2015 (₹ '000)
1	<b>OPERATING PROFIT/(LOSS)</b>			
	(a) Fire Insurance		-	-
	(b) Marine Insurance		-	-
	(c) Miscellaneous Insurance		(847,526.1)	(1,046,872.8)
2	<b>INCOME FROM INVESTMENTS</b>			
	(a) Interest, Dividend & Rent – Gross		86,567.7	83,076.8
	(b) Profit on sale of investments		5,338.7	431.0
	Less: Loss on sale of investments		-	-
3	<b>OTHER INCOME - Miscellaneous Income</b>		-	-
	<b>TOTAL (A)</b>		<b>(755,619.7)</b>	<b>(963,365.0)</b>
4	<b>PROVISIONS (Other than taxation)</b>			
	(a) For diminution in the value of investments		-	-
	(b) For doubtful debts		-	-
	(c) Others (to be specified)		-	-
5	<b>OTHER EXPENSES</b>			
	(a) Expenses other than those related to Insurance Business		32,763.9	29,180.0
	(b) Bad debts written off		-	-
	(c) Others - Foreign Exchange Loss/(Gain)		6.4	(10.6)
	<b>TOTAL (B)</b>		<b>32,770.3</b>	<b>29,169.4</b>
	Profit / (Loss) Before Tax		(788,390.0)	(992,534.4)
	Provision for Taxation		-	51.2
	Profit / (Loss) After Tax		(788,390.0)	(992,585.6)
	<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		(2,251,905.7)	(1,257,971.5)
	Less: Depreciation Adjustment as per Companies Act, 2013		-	(1,348.6)
	<b>Balance carried forward to Balance Sheet</b>		<b>(3,040,295.7)</b>	<b>(2,251,905.7)</b>
	<b>Earnings Per Share</b>			
	Basic earnings per share of ₹ 10 face value (Refer note 25)		(2.0)	(3.5)
	Diluted earnings per share of ₹ 10 face value (Refer note 25)		(2.0)	(3.5)

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.S. Kothari Mehta & Co.  
Chartered Accountants  
Firm Regn No. : 000756N

For and on behalf of the Board of Directors

Sd/-  
Neena Goel  
Partner  
Membership No. : 057986

Sd/-  
K.K. Tulshan  
Partner  
Membership No. : 085033

Sd/-  
Shamsher Singh Mehta  
Director  
(DIN : 02201929)

Sd/-  
Anuj Gulati  
Managing Director & CEO  
(DIN : 00278955)

Sd/-  
Parvez Bajan  
Additional Director  
(DIN : 07474238)

Sd/-  
Pankaj Gupta  
Chief Financial Officer

Sd/-  
Pratik Kapoor  
Company Secretary

Place : New Delhi  
Date : 28th April 2016

**Religare Health Insurance Company Limited**

IRDA Registration number 148 dated 26 April, 2012


**RECEIPT AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st March, 2016**

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	(₹ '000)	(₹ '000)
<b>Cash Flows from the Operating activities:</b>		
Premium received from policyholders, including advance receipts	5,553,297.7	3,200,160.2
Other receipts	-	-
Payments to the re-insurers, net of commissions and claims	(359,561.3)	(30,266.3)
Payments to co-insurers, net of claims recovery	87,409.9	32,379.6
Payments of claims	(1,769,832.3)	(1,011,139.1)
Payments of commission and brokerage	(599,117.5)	(347,473.5)
Payments of other operating expenses	(2,301,795.4)	(1,407,954.5)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	(9,137.6)	(11,305.9)
Income taxes paid (Net)	(51.2)	(77.8)
Service tax paid	(466,235.1)	(226,576.7)
Other payments	-	-
<b>Cash flows before extraordinary items</b>	<b>134,977.1</b>	<b>197,745.9</b>
Cash flow from extraordinary operations		
<b>Net cash flow from Operating activities</b>	<b>134,977.1</b>	<b>197,745.9</b>
<b>Cash flows from Investing activities:</b>		
Purchase of fixed assets (including capital advances)	(159,546.4)	(67,723.9)
Proceeds from sale of fixed assets	1,223.8	-
Purchases of investments	(1,709,183.7)	(1,390,184.9)
Loans disbursed	-	-
Sales of investments	305,000.0	487,800.0
Repayments received	-	-
Rents/Interests/ Dividends received	208,339.7	152,965.2
Investments in money market instruments and in liquid mutual funds (Net)	(50,294.3)	(254,706.5)
Expenses related to investments	-	-
<b>Net cash flow from Investing activities</b>	<b>(1,404,460.8)</b>	<b>(1,071,850.1)</b>
<b>Cash flows from Financing activities:</b>		
Proceeds from issuance of share capital	1,250,700.0	1,000,000.0
Proceeds from borrowing	-	-
Repayments of borrowing	-	-
Interest/dividends paid	-	-
<b>Net cash flow from Financing activities</b>	<b>1,250,700.0</b>	<b>1,000,000.0</b>
Effect of foreign exchange rates on cash and cash equivalents, net	(6.4)	10.6
<b>Net increase in cash and cash equivalents:</b>	<b>(18,790.0)</b>	<b>125,906.4</b>
Cash and cash equivalents at the beginning of the year	255,258.9	129,352.5
<b>Cash and cash equivalents at the end of the year</b>	<b>236,468.9</b>	<b>255,258.9</b>

As per our report of even date attached

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

 For S.S. Kothari Mehta & Co.  
 Chartered Accountants  
 Firm Regn No. : 000756N

For and on behalf of the Board of Directors

 Sd/-  
  
 Neena Goel  
 Partner  
 Membership No. : 057986

 Sd/-  
  
 K.K. Tulshan  
 Partner  
 Membership No. : 085033

Sd/-	Sd/-
Shamsher Singh Mehta Director (DIN : 02201929)	Anuj Gulati Managing Director & CEO (DIN : 00278955)
Sd/-	Sd/-
Parvez Bajan Additional Director (DIN : 07474238)	Pankaj Gupta Chief Financial Officer

 Place : New Delhi  
 Date : 28th April 2016

 Pratik Kapoor  
 Company Secretary

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Schedule	As at 31st March, 2016 (₹ '000)	As at 31st March, 2015 (₹ '000)
<b>SOURCES OF FUNDS</b>			
Share Capital	5	4,750,700.0	3,500,000.0
Share Application Money Pending Allotment		-	-
Reserves And Surplus	6	-	-
Fair Value Change Account		-	-
Borrowings	7	-	-
<b>TOTAL</b>		<b>4,750,700.0</b>	<b>3,500,000.0</b>
<b>APPLICATION OF FUNDS</b>			
<b>Investments</b>			
- Shareholders	8	1,370,567.8	951,568.8
- Policyholders	8A	3,162,358.5	2,098,010.5
Loans	9	-	-
Fixed Assets	10	387,438.5	328,640.3
Deferred Tax Asset		-	-
<b>CURRENT ASSETS</b>			
Cash and Bank Balances	11	236,468.9	255,258.9
Advances and Other Assets	12	582,104.1	361,723.2
<b>Sub-Total (A)</b>		<b>818,573.0</b>	<b>616,982.1</b>
Current Liabilities	13	1,888,849.1	1,341,897.6
Provisions	14	2,139,684.4	1,405,209.8
Deferred Tax Liability		-	-
<b>Sub-Total (B)</b>		<b>4,028,533.5</b>	<b>2,747,107.4</b>
<b>Net Current Assets (C) = (A - B)</b>		<b>(3,209,960.5)</b>	<b>(2,130,125.3)</b>
Miscellaneous Expenditure (To The Extent Not Written Off or Adjusted)	15	-	-
Debit Balance In Profit And Loss Account		3,040,295.7	2,251,905.7
<b>TOTAL</b>		<b>4,750,700.0</b>	<b>3,500,000.0</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.S. Kothari Mehta & Co.  
Chartered Accountants  
Firm Regn No. : 000756N

For and on behalf of the Board of Directors

Sd/-

Sd/-

Shamsher Singh Mehta  
Director  
(DIN : 02201929)

Anuj Gulati  
Managing Director & CEO  
(DIN : 00278955)

Sd/-

Sd/-

Neena Goel  
Partner  
Membership No. : 057986

K.K. Tulshan  
Partner  
Membership No. : 085033

Sd/-

Sd/-

Parvez Bajan  
Additional Director  
(DIN : 07474238)

Pankaj Gupta  
Chief Financial Officer

Sd/-

Place : New Delhi  
Date : 28th April 2016

Pratik Kapoor  
Company Secretary

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1

PREMIUM EARNED [NET]

Particulars	For the Year ended 31st March, 2016				For the Year ended 31st March, 2015			
	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)
Premium from direct business written *	4,452,031.0	423,572.2	157,620.2	5,033,223.4	2,583,225.2	155,272.3	19,504.6	2,758,002.1
Add: Premium on reinsurance accepted	-	-	-	-	-	-	-	-
Less: Premium on reinsurance ceded	1,286,395.6	128,790.2	21,300.6	1,436,486.4	431,768.5	32,952.8	2,802.2	467,523.5
<b>Net Premium</b>	<b>3,165,635.4</b>	<b>294,782.0</b>	<b>136,319.6</b>	<b>3,596,737.0</b>	<b>2,151,456.7</b>	<b>122,319.5</b>	<b>16,702.4</b>	<b>2,290,478.6</b>
Adjustment for change in reserve for unexpired risks	609,769.6	95,772.4	13,922.6	719,464.6	659,796.7	87,047.2	6,407.1	753,251.0
<b>Premium Earned (Net)</b>	<b>2,555,865.8</b>	<b>199,009.6</b>	<b>122,397.0</b>	<b>2,877,272.4</b>	<b>1,491,660.0</b>	<b>35,272.3</b>	<b>10,295.3</b>	<b>1,537,227.6</b>

\* Net of Service Tax

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 2

CLAIMS INCURRED [NET]

Particulars	For the Year ended 31st March, 2016				For the Year ended 31st March, 2015			
	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)
<b>Claims paid</b>								
Direct claims	1,732,008.8	29,596.6	27,533.9	1,789,139.3	975,287.4	12,715.1	2,444.8	990,447.3
Add : Re-insurance accepted to direct claims	-	-	-	-	-	-	-	-
Less : Re-insurance Ceded to claims paid *	342,030.3	10,778.3	1,544.5	354,353.1	183,811.3	3,340.4	100.4	187,252.1
<b>Net Claims Paid</b>	<b>1,389,978.5</b>	<b>18,818.3</b>	<b>25,989.4</b>	<b>1,434,786.2</b>	<b>791,476.1</b>	<b>9,374.7</b>	<b>2,344.4</b>	<b>803,195.2</b>
Add: Claims Outstanding at the end of the year *	400,536.8	81,298.1	37,487.9	519,322.8	282,172.5	18,165.2	6,582.7	306,920.4
Less: Claims Outstanding at the beginning of the year	282,172.5	18,165.2	6,582.7	306,920.4	166,437.9	4,012.2	-	170,450.1
<b>Total Claims Incurred</b>	<b>1,508,342.8</b>	<b>81,951.2</b>	<b>56,894.6</b>	<b>1,647,188.6</b>	<b>907,210.7</b>	<b>23,527.7</b>	<b>8,927.1</b>	<b>939,665.5</b>

\* Net of Reinsurance

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 3

COMMISSION

Particulars	For the Year ended 31st March, 2016				For the Year ended 31st March, 2015			
	Health	PA	Other	Total	Health	PA	Other	Total
	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
<b>Commission paid</b>								
Direct	551,731.7	50,637.8	9,322.9	611,692.4	303,595.5	22,653.4	1,202.8	327,451.7
<b>Total (A)</b>	<b>551,731.7</b>	<b>50,637.8</b>	<b>9,322.9</b>	<b>611,692.4</b>	<b>303,595.5</b>	<b>22,653.4</b>	<b>1,202.8</b>	<b>327,451.7</b>
Add: Re-insurance Accepted	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	764,945.9	82,045.4	10,519.7	857,511.0	127,327.2	1,003.6	145.9	128,476.6
<b>Net Commission</b>	<b>(213,214.2)</b>	<b>(31,407.6)</b>	<b>(1,196.8)</b>	<b>(245,818.6)</b>	<b>176,268.3</b>	<b>21,649.8</b>	<b>1,057.0</b>	<b>198,975.1</b>

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

	2016	2015	2016	2015	2016	2015	2016	2015
Agents	149,522.0	6,738.0	5,865.2	162,125.1	70,307.1	2,672.2	887.8	73,867.0
Brokers	204,508.8	10,088.2	2,949.6	217,546.7	105,301.6	8,966.5	171.3	114,439.4
Corporate Agency	197,700.9	33,811.6	508.1	232,020.6	38,356.8	665.7	54.0	39,076.5
Referral	-	-	-	-	-	-	-	-
Others	-	-	-	-	89,630.0	10,349.1	89.6	100,068.7
<b>TOTAL (B)</b>	<b>551,731.7</b>	<b>50,637.8</b>	<b>9,322.9</b>	<b>611,692.4</b>	<b>303,595.5</b>	<b>22,653.4</b>	<b>1,202.8</b>	<b>327,451.7</b>

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

S.No	Particulars	For the Year ended 31st March, 2016				For the Year ended 31st March, 2015			
		Health	PA	Other	Total	Health	PA	Other	Total
		(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
1	Employees' remuneration & welfare benefits	1,020,688.0	95,045.8	43,953.2	1,159,687.0	712,763.1	40,523.6	5,533.4	758,820.1
2	Travel, conveyance and vehicle running expenses	116,410.5	10,840.1	5,012.9	132,263.5	72,668.5	4,131.5	564.1	77,364.1
3	Training expenses	-	-	-	-	-	-	-	-
4	Rents, rates & taxes	65,623.7	6,110.8	2,825.9	74,560.4	59,351.5	3,374.4	460.8	63,186.7
5	Repairs & Maintenance	50,977.3	4,747.0	2,195.2	57,919.5	26,901.9	1,529.5	208.8	28,640.2
6	Printing & stationery	34,610.6	3,222.9	1,490.4	39,323.9	34,425.9	1,957.3	267.3	36,650.4
7	Communication	43,268.1	4,029.1	1,863.2	49,160.4	28,926.1	1,644.6	224.6	30,795.2
8	Legal & professional charges	276,681.6	25,764.4	11,914.6	314,360.6	161,258.2	9,168.2	1,251.9	171,678.3
9	Auditors' fees, expenses etc.	-	-	-	-	-	-	-	-
	(a) as auditor	1,527.1	142.2	65.8	1,735.1	1,508.3	85.8	11.7	1,605.8
	(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	476,999.0	44,417.9	20,540.7	541,957.6	256,403.7	14,577.6	1,990.5	272,971.9
11	Interest & bank charges	12,148.3	1,131.2	523.1	13,802.7	5,010.7	284.9	38.9	5,334.5
12	Others	-	-	-	-	-	-	-	-
	(a) Electricity and Water	20,232.9	1,884.1	871.3	22,988.2	14,165.1	805.3	110.0	15,080.4
	(b) Medical Charges- Policy Issuance	36,072.4	-	-	36,072.4	22,777.0	0.0	0.0	22,777.0
	(c) Service tax expense	508.1	47.3	21.9	577.3	1,725.5	98.1	13.4	1,837.0
	(d) Other	24,324.3	2,265.1	1,047.5	27,636.8	10,510.0	597.5	81.6	11,189.1
13	Depreciation	86,665.6	8,070.2	3,732.0	98,467.9	69,639.6	3,959.3	540.6	74,139.5
	<b>TOTAL</b>	<b>2,266,737.6</b>	<b>207,718.2</b>	<b>96,057.5</b>	<b>2,570,513.3</b>	<b>1,478,034.9</b>	<b>82,737.7</b>	<b>11,297.6</b>	<b>1,572,070.2</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, 2016 (₹ '000)	As at 31st March, 2015 (₹ '000)
1	<b>Authorised Capital</b>		
	500,000,000 Equity Shares of Rs 10 each (Previous Year 400,000,000 Equity Shares of Rs 10 each)	5,000,000.0	4,000,000.0
2	<b>Issued Capital</b>		
	475,070,000 Equity Shares of Rs 10 each (Previous Year 350,000,000 Equity Shares of Rs 10 each)	4,750,700.0	3,500,000.0
3	<b>Subscribed Capital</b>		
	475,070,000 Equity Shares of Rs 10 each (Previous Year 350,000,000 Equity Shares of Rs 10 each)	4,750,700.0	3,500,000.0
4	<b>Called-up Capital</b>		
	475,070,000 Equity Shares of Rs 10 each (Previous Year 350,000,000 Equity Shares of Rs 10 each)	4,750,700.0	3,500,000.0
	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>4,750,700.0</b>	<b>3,500,000.0</b>

Note:

Out of the above, 427,500,000 (Previous Year 315,000,000) Equity Shares of Rs. 10 each are held by Religare Enterprises Limited, along with its nominees.

# 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, 2016		As at 31st March, 2015	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
· Indian	475,000,000.0	99.99%	350,000,000.0	100.00%
· Foreign	-	-	-	-
Others	70,000.0	0.01%	-	-
<b>TOTAL</b>	<b>475,070,000.0</b>	<b>100.00%</b>	<b>350,000,000.0</b>	<b>100.00%</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, 2016	As at 31st March, 2015
		(₹ '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)	-	-
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 Hamesha***SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE -7****BORROWINGS**

S. No	Particulars	As at 31st March, 2016 (₹ '000)	As at 31st March, 2015 (₹ '000)
1	Debentures/ Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others (to be specified)	-	-
	<b>TOTAL</b>	-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 8

INVESTMENTS - SHAREHOLDERS

S. No	Particulars	Shareholders	
		As at 31st March, 2016 (₹ '000)	As at 31st March, 2015 (₹ '000)
	<b>LONG TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	204,560.9	205,291.7
2	Other Approved Securities	32,156.6	32,174.0
3	Other Investments		
	(a) Shares		-
	(aa) Equity		-
	(bb) Preference		-
	(b) Mutual Funds		-
	(c) Derivative Instruments		-
	(d) Debentures/ Bonds		-
	(e) Other Securities (to be specified)		-
	- Fixed Deposit	623,000.0	552,300.0
	(f) Subsidiaries		-
	(g) Investment Properties-Real Estate		-
4	Investments in Infrastructure and Social Sector		
	- Infrastructure Bonds	5,000.0	10,000.0
	- Housing Bonds	20,019.5	20,032.3
5	Other than Approved Investments		-
	<b>SHORT TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	49,401.1	19,970.8
2	Other Approved Securities		-
3	Other Investments		
	(a) Shares		-
	(aa) Equity		-
	(bb) Preference		-
	(b) Mutual Funds	145,000.0	97,100.0
	(c) Derivative Instruments		-
	(d) Debentures/ Bonds	198,729.8	-
	(e) Other Securities (to be specified)		-
	- Fixed Deposit	47,700.0	9,700.0
	- Certificate of Deposit		-
	(f) Subsidiaries		-
	(g) Investment Properties-Real Estate		-
4	Investments in Infrastructure and Social Sector		
	- Infrastructure Bonds	5,000.0	5,000.0
	- Housing Bonds		-
5	Other than Approved Investments	40,000.0	-
	<b>TOTAL</b>	<b>1,370,567.8</b>	<b>951,568.8</b>

**Note:**

Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs. 1,370,567.8 Thousands. (Previous year Rs. 951,568.8 Thousands). Market value of such investments as at 31st March, 2016 is Rs. 1,371,930.0 Thousands (Previous year Rs. 9,50,984.8 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, 2016	As at 31st March, 2015
		(₹ '000)	(₹ '000)
	<b>LONG TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	956,062.8	451,045.1
2	Other Approved Securities	355,138.1	200,610.4
3	Other Investments		-
	( a) Shares		-
	(aa) Equity		-
	(bb) Preference		-
	( b) Mutual Funds		-
	(c) Derivative Instruments		-
	(d) Debentures/ Bonds	653,895.8	399,954.2
	(e) Other Securities (to be specified)		-
	- Fixed Deposit		-
	(f) Subsidiaries		-
	(g) Investment Properties-Real Estate		-
4	Investments in Infrastructure and Social Sector		-
	- Infrastructure Bonds	553,853.0	254,264.0
	- Housing Bonds	397,957.5	292,378.7
5	Other than Approved Investments		-
			-
	<b>SHORT TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills		79,787.2
2	Other Approved Securities		-
3	Other Investments		-
	( a) Shares		-
	(aa) Equity		-
	(bb) Preference		-
	( b) Mutual Funds		-
	(c) Derivative Instruments		-
	(d) Debentures/ Bonds	50,000.0	-
	(e) Other Securities (to be specified)		-
	- Fixed Deposit		-
	- Certificate of Deposit		-
	(f) Subsidiaries		-
	(g) Investment Properties-Real Estate		-
4	Investments in Infrastructure and Social Sector		-
	- Infrastructure Bonds	-	149,970.9
	- Housing Bonds	99,951.3	50,000.0
5	Other than Approved Investments	95,500.0	220,000.0
	<b>TOTAL</b>	<b>3,162,358.5</b>	<b>2,098,010.5</b>

**Notes:**

Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs. 3,162,358.5 Thousands (Previous year Rs.2,098,010.5 Thousands). Market value of such investments as at March 31st, 2016 is Rs. 3,215,033.9 Thousands (Previous year Rs. 2,145,053.0 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, 2016 (₹ '000)	As at 31st March, 2015 (₹ '000)
<b>1</b>	<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 (to be specified)		
	Unsecured		
	<b>TOTAL</b>	-	-
<b>2</b>	<b>BORROWER-WISE CLASSIFICATION</b>		
	(a) Central and State Governments		
	(b) Banks and Financial Institutions		
	(c) Subsidiaries		
	(d) Industrial Undertakings		
	(e) Others (to be specified)		
	<b>TOTAL</b>	-	-
<b>3</b>	<b>PERFORMANCE-WISE CLASSIFICATION</b>		
	(a) Loans classified as standard		
	(aa) In India		
	(bb) Outside India		
	(b) Non-performing loans less provisions		
	(aa) In India		
	(bb) Outside India		
	<b>TOTAL</b>	-	-
<b>4</b>	<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	Cost/ Gross Block				Depreciation				Net Block	
	As at 1st April, 2015	Additions	Deductions	As at 31st March, 2016	Upto 1st April, 2015	For The Year	On Sales / Adjustments	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles-Computer Software	391,853.1	95,479.7	-	487,281.8	118,635.0	68,093.4	-	186,728.3	300,553.5	273,218.1
Land-Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Property	6,415.9	5,778.3	-	12,194.2	2,944.1	2,385.3	-	5,329.4	6,864.9	3,471.9
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	1,795.5	1,170.7	1.6	2,964.6	1,402.0	1,262.1	1.6	2,662.6	302.1	393.5
Information Technology Equipment	72,882.6	39,833.2	216.4	112,499.3	42,837.9	22,444.0	96.2	65,185.7	47,313.6	30,044.7
Vehicles	14,581.9	-	4,524.3	10,057.6	6,407.4	1,784.4	2,337.5	5,854.4	4,203.2	8,174.5
Office Equipment	8,938.0	3,948.4	95.5	12,790.9	4,877.9	2,498.7	79.5	7,297.1	5,493.8	4,060.1
Others (Specify nature)	-	-	-	-	-	-	-	-	-	-
<b>TOTAL - Current Year</b>	<b>496,467.0</b>	<b>146,159.2</b>	<b>4,837.8</b>	<b>637,788.4</b>	<b>177,104.3</b>	<b>98,467.9</b>	<b>2,514.7</b>	<b>273,057.5</b>	<b>364,731.0</b>	<b>319,362.7</b>
Previous Year	337,503.2	161,088.0	2,124.1	496,467.0	102,457.8	74,139.5	(507.0)	177,104.3	319,362.7	-
Work in progress	9,277.7	22,707.5	9,277.7	22,707.5	-	-	-	-	-	9,277.7
<b>Grand Total:</b>										
Current Year	505,744.7	168,866.7	14,115.5	660,495.9	177,104.3	98,467.9	2,514.7	273,057.5	387,438.5	328,640.4
Previous Year	337,503.2	161,088.0	2,124.1	496,467.0	102,457.8	74,139.5	(507.0)	177,104.3	319,362.7	-

Note:

1) Lease hold property consists of car and other equipments at premises taken on long term lease by company

2) The useful life of the assets has been arrived as per the provisions of Schedule-II to Companies Act, 2013. Useful life of softwares has been considered as six years. Useful life of some categories of office equipments and furniture has been considered lower than that recommended by the Schedule - II to Companies Act, 2013.



**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, 2016 (₹ '000)	As at 31st March, 2015 (₹ '000)
1	Cash (including cheques, drafts and stamps)	39,906.1	102,116.6
2	Bank Balances		
	(a) Deposit Accounts^		
	(aa) Short-term (due within 12months)	14,399.8	11,968.5
	(bb) Others	-	-
	(b) Current Accounts	182,163.0	141,173.8
	(c) Others (to be specified)		
3	Money at Call and Short Notice		
	(a) With Banks		
	(b) With other Institutions		
4	Others (to be specified)		
	<b>TOTAL</b>	<b>236,468.9</b>	<b>255,258.9</b>

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

Note: Balances with non-scheduled banks included in 2 and 3 above

**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, 2016	As at 31st March, 2015
		(₹ '000)	(₹ '000)
<b>ADVANCES</b>			
1	Reserve deposits with ceding companies	-	-
2	Application money for investments	-	-
3	Prepayments	20,317.3	14,176.6
4	Advances to directors/officers	-	-
5	Advance tax paid and taxes deducted at source (Net of provision for taxation)	5,185.1	5,072.8
6	Others	-	-
	(a) Advances to suppliers	5,953.6	3,888.3
	(b) Other Advances	1,166.1	787.2
	<b>TOTAL (A)</b>	<b>32,622.1</b>	<b>23,924.9</b>
<b>OTHER ASSETS</b>			
1	Income accrued on investments *	202,478.4	100,628.1
2	Outstanding premiums	109,977.3	119,006.8
3	Agents balances	890.6	875.6
4	Foreign agencies balances	-	-
5	Due from other entities carrying on insurance business (including re-insurers)	156,095.5	52,940.0
6	Due from subsidiaries/holding companies	30.1	162.9
7	Deposit with RBI (Pursuant to section 7 of Insurance Act, 1938)	-	-
8	Others	-	-
	(a) Rent Deposits & other assets	24,426.4	51,843.1
	(b) Service tax unutilized credit	51,915.9	12,341.8
	(c) Unclaimed amount of Policy Holder (Investment)	3,667.8	-
	(d) Other Receivables	-	-
	<b>TOTAL (B)</b>	<b>549,482.0</b>	<b>337,798.3</b>
	<b>TOTAL (A+B)</b>	<b>582,104.1</b>	<b>361,723.2</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, 2016	As at 31st March, 2015
		(₹ '000)	(₹ '000)
1	Agents' balances	55,670.5	19,956.5
2	Balance due to other insurance companies	212,857.2	241,393.7
3	Deposits held on re-insurance ceded	-	-
4	Premiums received in advance	128,556.6	156,882.4
5	Unallocated premium	163,406.1	168,329.0
6	Sundry creditors	721,566.0	389,543.9
7	Due to subsidiaries/holding company	19,749.0	14,560.1
8	Claims outstanding*	519,322.7	306,920.4
9	Due to officers/directors	-	-
10	Unclaimed amount of Policy Holder	5,144.9	11,931.6
11	Others	-	-
	(a) Tax deducted payable	45,196.2	14,560.4
	(b) Other statutory dues	4,770.4	3,415.7
	(c) Service Tax Liability	3,328.9	1,019.4
	(b) Other Liabilities	9,280.6	13,384.5
	<b>TOTAL</b>	<b>1,888,849.1</b>	<b>1,341,897.6</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, 2016 (₹ '000)	As at 31st March, 2015 (₹ '000)
1	Reserve for unexpired risk	2,103,974.9	1,384,510.2
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	35,697.9	20,648.4
	(c) For wealth tax	-	51.2
	(d) Lease equalisation reserve	11.6	-
	(e) For doubtful loans and advances	-	-
	<b>TOTAL</b>	<b>2,139,684.4</b>	<b>1,405,209.8</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, 2016	As at 31st March, 2015
		(₹ '000)	(₹ '000)
1	Discount allowed in issue of shares/ debentures	-	-
2	Others (to be specified)	-	-
	<b>TOTAL</b>	-	-

## Schedule 16

### Significant accounting policies forming part of the financial statements for the year ended March 31, 2016

#### 1. Background

Religare Health Insurance Company Limited ("the Company") was incorporated on April 2, 2007 as a company under the Companies Act, 1956 ('the Act'). The Company is registered with Insurance Regulatory and Development Authority ('IRDA') and is in the business of underwriting general (health) insurance policies relating to Health segment. The IRDA gave the Company certificate of registration to sell general (health) insurance policies in India on 20<sup>th</sup> April 2012.

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 enforce from April 1, 2015 subject to payment of renewal fee. The renewal fees for Financial Year 2016-17 has already been paid.

#### 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 the statutory requirements prescribed under the Insurance Act, 1938, 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 IRDA in this behalf, the Companies Act, 2013 ('The Act') to the extent applicable and comply with the applicable notified accounting standards issued by Companies (Accounting Standard) Rules, 2006 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 earned including reinstatement premium is recognized as income over the contract period or period of risk based on 1/365 method whichever is appropriate, on a gross basis net of 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 income arising on cancellation of policies are recognized in the period in which it is cancelled.

###### **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 in the 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**

This represents premium received during the period, where the risk commences subsequent to the Balance Sheet date.

Schedules forming part of financial statements

#### 4.3. 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.

#### 4.4. 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.

#### 4.5. Reserve for unexpired risk

Reserve for unexpired risk represents premium written (net of reinsurance) that is attributable and to be allocated to succeeding accounting periods for risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate. It is calculated on a daily pro-rata basis subject to a minimum of 50% of the aggregate premium, written on policies during the twelve months preceding the Balance Sheet date, on all unexpired policies at balance sheet date in accordance with section 64 V(1)(ii)(b) of the Insurance Act, 1938.

#### 4.6. 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 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.

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



Schedules forming part of financial statements

#### 4.7. 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.

#### 4.8. Investments

Investments are made in accordance with the Insurance Act, 1938 and Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended 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 are considered as 'held to maturity' and accordingly stated at amortised cost determined after amortisation of premium or accretion of discount on a straight line basis over the holding/maturity period.

- **Mutual funds**

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

- **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'. This balance in the fair value change account is not available for distribution, pending realization. Investments other than mentioned above are valued at cost.

Schedules forming part of financial statements

**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.

**4.9. 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 subject to maximum of 10 years.

Depreciation is provided on Straight Line Method, at the rates based on useful lives of the assets as specified in Schedule II of the Companies Act, 2013 or the rates based on useful lives of the assets as estimated by the management based on technical evaluation, where the estimate of useful life is different from that prescribed by Schedule II of the Companies Act, 2013.

Depreciation is provided for on a pro-rata basis on the assets acquired, sold or disposed off during the year/period.

The cases where rates applied are higher/lower than those prescribed by Schedule II of the Companies Act, 2013 are given below.

Assets Description	Life of Assets prescribed as per Schedule II of the Companies Act, 2013	Useful Lives of the Assets as per the Company
Office Equipment (Glow Sign Boards and Batteries)	5 Years	3 Years
Furniture and Fixtures	10 Years	5 Years
Vehicles (acquired from Nov 2011 to Mar 2014)	8 Years	6.25 Years

**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 softwares 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 years.

Schedules forming part of financial statements

All assets including intangibles individually costing up to Rs. 5,000 are fully depreciated / amortised 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 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.

#### **4.10. 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.

#### **4.11. Employee benefits**

##### **Provident fund**

This is a defined contribution scheme and contributions payable to the Regional Provident Fund Authority is provided on the basis of prescribed percentage of salary and is charged to revenue account(s) and profit and loss account.

##### **Gratuity**

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

##### **Accrued leave**

The employees of the Company are entitled to compensate absences and leave encashment as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation as at the Balance Sheet date. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the revenue account(s) and Profit and Loss account as income or expense.

Schedules forming part of financial statements

#### **4.12. 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(s) and profit and loss account on a straight line basis over the vesting period of options.

#### **4.13. 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.

#### **4.14. Earnings per share**

The basic earnings per share is calculated by dividing the Net profit after tax by weighted average number of equity shares outstanding during the reporting period. Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for basic Earnings per share and also weighted average number equity shares which would have been issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are considered.

#### **4.15. 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

#### Schedules forming part of financial statements

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.

#### 4.16. 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.

#### 5. Segment Reporting

##### 5.1. Allocation of Income and Expenses

##### 5.1.1. 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.

##### 5.1.2. Allocation of Expenses

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

5.1.2.2. Other expenses that are not directly identifiable, are broadly allocated on reasonable basis

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

Schedules forming part of financial statements

NOTES FORMING PART OF ACCOUNTS

1 Contingent Liabilities		(₹ '000)	
Particulars	As at 31.03.2016	As at 31.03.2015	
Partly paid up investments	-	-	
Claims, other than against Policies, not acknowledged as debts by the Insurer	-	-	
Underwriting commitments outstanding	-	-	
Guarantees given by or on behalf of the Insurer	7,480.0	8,680.0	
Statutory demands / liabilities in dispute, not provided for	-	-	
Reinsurance obligations to the extent not provided for in Accounts	-	-	
Others	-	-	

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, 2016 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 ₹ 7,480 thousands (previous year ₹ 8,680 thousand) The deposits have been placed with banks for the purposes of executing bank guarantees. The Company has all assets within India.

4 Estimated Amount of Commitments made and Outstanding for		(₹ '000)	
Particulars	As at 31.03.2016	As at 31.03.2015	
Loans	-	-	
Investments	-	-	
Fixed Assets (Net of advances)	21,923.2	2,073.2	

5 Claims less Reinsurance paid to Claimants		(₹ '000)	
Class of Business	Miscellaneous		
	As at 31.03.2016	As at 31.03.2015	
In India	1,434,786.2	803,195.2	
Outside India	-	-	

6 Age-wise Breakup of Gross Claims Outstanding*		(₹ '000)	
Class of Business	Miscellaneous		
	As at 31.03.2016	As at 31.03.2015	
Outstanding for more than six months	39,977.1	496.7	
Outstanding for six months or less	355,576.9	174,460.0	
	395,554.0	174,956.7	

\*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 (a) Premium less Reinsurance Written During the Year		(₹ '000)			
Class of Business	In India		Outside India		
	For the Year ended 31.03.2016	For the Year ended 31.03.2015	For the Year ended 31.03.2016	For the Year ended 31.03.2015	
Miscellaneous	3,596,736.9	2,290,478.6	-	-	

(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)			
		Risk Retained		Risk Reinsured	
		For the Year ended 31.03.2016	For the Year ended 31.03.2015	For the Year ended 31.03.2016	For the Year ended 31.03.2015
	Class of Business	71.5%	83.0%	28.5%	17.0%
	Miscellaneous				

10	Value of Contracts in relation to Investments	('000)	
		As at 31.03.2016	As at 31.03.2015
	Particulars		
	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, 2000 and are performing assets.

12 The Company does not have any investment in Real Estate as at March 31, 2016 or March 31, 2015.

13 The historical cost of investments in Mutual funds which have been valued on fair value basis is ₹ 280,500 thousand (Previous Year ₹ 317,100 thousand)

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	-	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/insured *	5,079.8	3,569.7	440.1	465.8	183.2	381.3	39.8

\* Fair Value of Investments against unclaimed amount is 65.1 Thousands.

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	('000)					
	Health		Personal Accident		Others	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Health Segment						
Segmental Revenue	4,452,031.0	2,583,225.2	423,572.2	155,272.3	157,520.2	19,504.6
Segmental Result	(788,530.9)	(950,928.2)	(39,001.6)	(85,881.4)	(19,993.8)	(10,063.2)
Segmental Liabilities						
Claims Outstanding (Net)	460,536.8	282,172.5	81,298.1	18,165.2	37,487.9	6,582.7
Unexpired risk reserve (Net)	1,893,435.6	1,284,496.2	190,508.2	93,607.0	20,031.2	6,407.1
Premium received in advance	110,522.9	146,793.1	7,852.1	5,502.9	10,181.6	4,586.4
Segment Assets						
Outstanding Premium	109,977.3	119,006.8	-	-	-	-

b) Geographical Segment

Since the Company's entire business is conducted within India, 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:

Particulars	(₹ '000)	
	As at 31.03.2016	As at 31.03.2015
Salaries & Allowances	21,425.7	20,194.0
Contribution to Provident and other funds	1,080.3	1,130.9
Perquisites	-	-
<b>Total</b>	<b>22,506.0</b>	<b>21,324.9</b>

Expense towards gratuity and leave encashment provision are determined actuarially on an overall basis annually and accordingly have not been considered in the above information

During the year a provision of ₹ 23,518.77 (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

17 Chief Executive Officer's Remuneration

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 ₹ 7,506 thousand (Previous year ₹ 6,324.9 thousand) is charged to Profit and Loss Account

During the year bonus of ₹ 20,460 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

18 Expenditure in Foreign Currency (On accrual basis)

Particulars	(₹ '000)	
	Year ended 31.03.16	Year ended 31.03.15
Travelling	-	-
Remuneration	-	-
Software License Fees	-	-
Purchase of Fixed Assets	-	-
Professional fees	-	-
Others	13,093.72	461.55
<b>Total</b>	<b>13,093.72</b>	<b>461.55</b>

19 Operating Lease Commitments

The Company has taken on lease office premises under various agreements with various expiration dates extending from 3 years upto 12 Years. The lease rental charged under non cancellable operating leases and maximum obligation on such leases at the balance sheet date are as follows:

Particulars	(₹ '000)	
	Year ended 31.03.16	Year ended 31.03.15
Payable not later than one year	867.30	-
Payable later than one year but not later than five years	834.70	-
Payable later than five years	-	-
<b>Total</b>	<b>1,702.00</b>	<b>-</b>

20 Foreign Currency Exposures

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

Particulars	(₹ '000)	
	Year ended 31.03.16	Year ended 31.03.15
Payable in Indian Rupee	14,809.00	-
Payable in USD	-	-



Schedules forming part of financial statements  
Detailed list of Related parties  
(As per AS-18 issued by ICAI)

21

S.No	Nature of Relationship	Name of party
1	Holding Company	Religare Enterprises Limited
2	Subsidiaries of immediate Holding Companies	Religare Finvest Limited
		REL Support services Limited
		Religare Securities Limited
		Religare Capital Markets Limited
		Religare Arts Initiative Limited
		Religare Commodity Broking Private Limited
		RGAM Investment Advisers Private Limited
		Religare Capital Markets (India) Limited
		Religare Arts Investment Management Limited
		Cerestra Advisors Limited
3	Subsidiaries of fellow Subsidiaries	Religare Invesco Asset Management Company Private Limited
		Religare Invesco Trustee Company Private Limited
		Religare Housing Development Finance Corporation Limited
		Religare Comtrade Limited
		Religare Share Brokers Limited
		Religare Commodities Limited
		Religare Venture Capital Limited
		Religare Investment Advisors Limited
		Northgate Capital Asia (India) 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.
		Charterpeace Limited
		Religare Capital Markets (Hong kong) Ltd.
		Tobler (Mauritius) Limited
		Tobler (UK) Limited
		Religare Investment Holdings (UK) Ltd
		Northgate Capital LLC
		Northgate Capital LP
		Northgate Capital Asia Limited, Hong Kong
		Northgate Mexico Capital S de RL de CV
		Kyte Management Limited
		Religare Capital Markets (Singapore) Pte Limited
		Bartleet Religare Securities (Private) Limited
		Bartleet Asset Management (Private) Limited
		Strategic Research Limited
		Landmark Partners LLC
		Landmark Realty Advisors LLC
		Landmark Equity Advisors LLC
		Mill Pond Associates LLC
		Religare Bartleet Capital Markets (Private) Limited
		Religare Global Asset Management Inc.
		Religare Health Trust Trustee Manager Pte Ltd.
		Religare Portfolio Managers and Advisors Private Limited
		LMK services Inc
		Religare Wealth Management Limited
		Religare Credit Advisors LLP
Cerestra Capital Advisors LLP		
Religare Heal Fund Advisors LLP		
Religare Commodity DMCC, Dubai		
4	Associates and joint ventures	IBOF Investment Management Private Limited
		Milestone Religare Capital Management Limited
		Valuequest Capital LLP
		YourNest Capital Advisors Private Limited
		Noah Capital Markets (Pty) Limited
		Noah Nominees (Pty) Limited
		Investment Professional Ltd (Mauritius)
		IPRO Stockbroking Ltd
		IPRO Fund Management Ltd
		IPRO Botswana (Pty) Limited
5	Individuals owning, directly or indirectly, interest in the voting power that gives them control	Mr. Malvinder Mohan Singh
		Mr. Shivinder Mohan Singh
6	Key management personnel	Mr. Anuj Gulati
7	Enterprises over which key(5) and (6) are able to exercise significant influence with whom transactions have taken place	Finserve Shared Services Limited
		Ligare Travels Private Limited
		Dion Global Solutions Limited
		SRI limited
		RHC Holding Private Limited
		Fortis Clinical Research Limited
		RHC II Solutions Private Limited
		RWL Healthworld Limited
		Escorts Heart Institute & Research Centre
		Fortis Healthcare Limited
		Fortis Hospitals Limited
		Fortis Malar Hospitals Limited
		Hiranandani Healthcare Private Limited
		Ligare Voyages Limited
		International Hospital Limited
		Aegon Religare Life Insurance
		Fortis C-Doc Healthcare Limited
		Fortis Health Management Ltd
DDRC SRL Diagnostics Private Limited		

Schedules forming part of financial statements

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

S. No	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	(₹ '000)	
				As at 31st March, 2016	As at 31st March, 2015
1	Religare Enterprises Limited	Holding Company	Allocation of Equity Shares	1,125,000.0	900,000.0
			Expense Reimbursement by Religare Enterprises Limited	4.0	83.2
			Expense Reimbursement to Religare Enterprises Limited	40,561.0	31,756.6
			Receipt of Premium	249.0	1,179.0
			Payable	5,377.2	2,697.5
			Other Advances	-	400.0
			Premium Received in Advance / Cash Deposit	26.0	213.8
			Security Deposit Received	100.0	-
2	Religare Finvest Limited	Fellow Subsidiary	Expense Reimbursement by Religare Finvest Limited	107.0	61.9
			Expense Reimbursement to Religare Finvest Limited	1,549.8	1,085.9
			Receipt of Premium	16,668.9	9,859.6
			Refund of Premium	7.5	-
			Commission Expenses	10,952.3	29,545.7
			Commission Payable	1,714.3	150.0
			Payable	792.9	234.1
			Premium Received in Advance / Cash Deposit	34.8	253.1
			Proceeds from Sale of Assets	70.5	-
			Other Advances	-	98.0
3	Religare Support Services Limited (Formerly known as REL Infracilities Limited)	Fellow Subsidiary	Reimbursement of Expenses to (Allocation of Expenses by) REL Infracilities Limited	134,433.2	55,595.5
			Expense Reimbursement by REL Infracilities Limited	15.1	-
			Receipt of Premium	600.0	-
			Payable	11,488.9	8,799.8
4	Religare Securities Limited	Fellow Subsidiary	Expense Reimbursement by Religare Securities Limited	187.6	729.9
			Expense Reimbursement to Religare Securities Limited	4,880.8	3,189.2
			Receipt of Premium	15,860.4	18,424.2
			Commission Expenses	11,355.8	8,167.9
			Commission Payable	1,040.8	1,277.1
			Payable	1,844.2	330.7
			Premium Received in Advance / Cash Deposit	1,053.1	1,267.3
			Proceeds from Sale of Assets	-	1,254.8
Refund of Premium	61.0	1,119.9			
5	Religare Commodities Limited	Subsidiary of Fellow Subsidiary	Expense Reimbursement by Religare Commodities Limited	22.9	16.1
			Expense Reimbursement to Religare Commodities Limited	73.8	39.4
			Receipt of Premium	3,475.2	4,148.5
			Refund of Premium	150.1	-
			Payable	26.1	8.0
			Premium Received in Advance / Cash Deposit	259.2	163.6
6	Religare Capital Markets Limited	Fellow Subsidiary	Expense Reimbursement to Religare Capital Markets Limited	78.3	108.2
			Expense Reimbursement by Religare Capital Markets Limited	4.0	22.1
			Refund of Premium	28.4	-
			Receipt of Premium	500.3	2,172.0
			Payable	43.8	59.5
			Premium Received in Advance / Cash Deposit	10.3	484.0
7	Religare Housing Development Finance Corporation Limited	Subsidiary of Fellow Subsidiary	Receipt of Premium	584.6	1,126.0
			Refund of Premium	0.9	-
			Premium Received in Advance / Cash Deposit	1.3	-
			Other Receivables	-	4.9
			Other Payable	9.0	-
			Reimbursement of Expenses to Other Companies	21.9	0.4
			Reimbursement of Expenses by Religare Housing Development Finance Corporation Limited	37.4	9.9
8	Religare Invesco Asset Management Company Private Limited	Subsidiary of Fellow Subsidiary	Expense Reimbursement to Religare Invesco Asset Management Company Private Limited	49.8	489.0
			Reimbursement of Expenses by Other Companies	664.8	478.5
			Receipt of Premium	4,631.5	7,662.4
			Refund of Premium	8.3	-
			Receivable	-	143.5
			Premium Received in Advance / Cash Deposit	28.5	125.9
9	Religare Comtrade Limited	Subsidiary of Fellow Subsidiary	Receipt of Premium	126.0	72.4
			Refund of Premium	7.1	-
			Premium Received in Advance / Cash Deposit	34.2	1.3

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, 2016	As at 31st March, 2015
10	Finserve Shared Services Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Expense Reimbursement by Finserve Shared Services Limited	78.1	128.1
			Reimbursement of Expenses to (Allotment of Expenses by) Finserve Shared Services Limited	36,275.0	66,778.6
			Receipt of Premium	1,204.1	2,461.8
			Refund of Premium	1,000.7	-
			Payable	-	3,879.8
			Receivable	19.1	-
			Premium Received in Advance / Cash Deposit	15.9	405.6
11	Healthore Technologies Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Premium Received in Advance / Cash Deposit	32.5	32.3
			Refund of Premium	-	364.0
12	Spectrum Voyages Private Limited (Formerly known as Ligare Travels Private Limited)	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Travelling and business Promotion Expenses	54,443.2	39,864.6
			Advances	1,014.7	-
13	Orion Global Solutions Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Technical and Professional Expenses	-	17.9
			Software Development Expenses	92.1	-
			Receipt of Premium	92.3	4,733.6
			Refund of Premium	329.1	-
			Premium Received in Advance / Cash Deposit	26.4	367.8
14	SRI limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Medical Charges	478.8	151.4
			Claims payment	5,936.1	5,117.8
			Payable	-	74.0
			Premium Received in Advance / Cash Deposit	-	0.0
15	Religare Wealth Management Limited	Subsidiary of Fellow Subsidiary	Receipt of Premium	2,832.9	1,798.5
			Refund of Premium	14.5	-
			Premium Received in Advance / Cash Deposit	66.4	307.6
			Commission Expenses	105.8	98.5
			Commission Payable	12.2	14.9
16	RHC Holding Private Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	RENT	-	2,324.7
			Allocation Of Expenses By Other Companies	3,276.7	-
			Branding Expenses	-	800.0
			Claims Payment	-	618.2
			Receivable	5.3	-
			Premium Refund	-	86.3
17	Fortis Clinical Research Ltd	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Receipt of Premium	39.1	15.2
			Refund of Premium	33.4	-
			Premium Received in Advance / Cash Deposit	0.0	39.1
18	RHC IT Solutions Private Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Receipt of Premium	-	958.1
			Refund of Premium	96.6	-
			Premium Received in Advance / Cash Deposit	0.4	102.6
19	RWL Health World Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Refund of Premium	50.2	-
			Premium Received in Advance / Cash Deposit	-	51.7
20	Escorts Heart Institute & Research Centre	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	4,265.9	2,398.3
21	Fortis Healthcare Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	7,747.9	3,986.2
22	Fortis Hospital Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	57,228.8	24,292.0
23	Fortis Malar Hospital	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	1,880.2	1,178.7

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,	As at 31st March,
				2016	2015
24	Hiranandani Healthcare Private Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	2,768.7	1,166.5
25	FORTIS C-IDOC HEALTHCARE LIMITED	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	606.6	177.4
26	Religare Venture Capital Ltd.	Subsidiary of Fellow Subsidiary	Other Receivables	2.7	
			Reimbursement of Expenses by Religare Venture Capital Ltd	2.4	0.7
27	Ligare Voyages Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Receipt of Premium	-	2,055.6
			Refund of Premium	191.5	
			Rent & office Maintenance	2,375.7	
			Premium Received in Advance / Cash Deposit	119.7	130.8
28	Mr. Anuj Gulati	Key Management Personnel	Remuneration	42,996.0	34,637.5
			Receipt of Premium	30.6	10.0
			Refund of Premium	-	1.1
29	International Hospital Limited	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	1,690.3	409.3
30	Fortis Health Management Ltd	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Claims Payment	165.8	7.3
31	Religare Credit Advisors LLP	Subsidiaries of Fellow Subsidiaries	Reimbursement of Expenses by Other Companies	7.3	7.9
			Other Receivables	3.8	3.6

Schedules forming part of financial statements

23 Employee Benefits

Employee's Benefits – 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.

(₹ '000)

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

	Leave Encashment		Gratuity	
	2015-16	2014-15	2015-16	2014-15
I Assumptions				
Mortality	Indian Assured Lives Mortality (2006-08) Modified Ultimate*	Indian Assured Lives Mortality (2006-08) Modified Ultimate*	Indian Assured Lives Mortality (2006-08) Modified Ultimate*	Indian Assured Lives Mortality (2006-08) Modified Ultimate*
Discount Rate	7.05%	7.75%	7.05%	7.75%
Rate of increase in compensation	6.00%	6.00%	6.00%	6.00%
Rate of return(expected) on plan assets	NA	NA	7.05%	8.00%
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	1.83	2	1.83	2
II Changes in present value of obligations				
PBO at beginning of year	18,553.00	13,457.0	12,708.00	8,558.0
Interest Cost	1,010.63	883.0	935.66	719.0
Current Service Cost	8,203.90	8,274.0	2,954.45	1,699.0
Benefits Paid	11,025.12	6,132.0	1,270.06	198.0
Actuarial gain/(loss) on obligation	(9,615.52)	(2,071.0)	(4,817.27)	(1,930.0)
PBO at end of year	26,357.93	18,553.0	20,145.31	12,708.0
III Changes in fair value of plan assets				
Fair Value of Plan Assets at beginning of year			10,613.00	5,163.0
Expected Return of Plan Assets			882.04	541.0
Contributions made	N.A	N.A	2,095.00	3,395.0
Benefits paid			1,270.06	198.0
Actuarial gain / (loss) on plan assets			(1,514.36)	1,712.0
Fair Value of Plan Assets at end of year			10,805.62	10,613.0
IV Fair Value of Plan Assets				
Fair Value of Plan Assets at beginning of year	-	-	10,613.0	5,163.0
Actual Return of plan assets	-	-	(632.3)	2,253.0
Contributions made	-	-	2,095.0	3,395.0
Benefit paid	-	-	1,270.1	198.0
Fair Value of Plan Assets at end of year	-	-	10,805.6	10,613.0
Funded Status	26,357.93	18,553.0	9,339.70	2,095.0
Excess of actual over estimated return on Plan Assets	-	-	(1,514.36)	1,712.0
V Actuarial Gain/(loss) Recognised				
Actuarial Gain/(loss) for the year ( Obligation)	(9,615.5)	(2,071.0)	(4,817.27)	(1,930.0)
Actuarial Gain/(loss) for the year ( Plan Assets)	N.A	N.A	(1,514.36)	1,712.0
Total Gain/(Loss) for the year	(9,615.5)	(2,071.0)	(6,331.6)	(218.0)
Actuarial Gain/(loss) Recognised for the year	(9,615.5)	(2,071.0)	(6,331.6)	(218.0)
Unrecognised Actuarial Gain /(Loss) at the end of year	NIL	NIL	NIL	NIL
VI Amounts to be recognised in the balance sheet				
PBO at the end of year	26,357.9	18,553.0	20,145.3	12,708.0
Fair Value of Plan Assets at end of year	N.A	N.A	10,805.6	10,613.0
Funded Status deficit/(surplus)	26,357.9	18,553.0	9,339.7	2,095.0
Unrecognised Actuarial Gain /(Loss)	NIL	NIL	NIL	NIL
Net ( Asset)/Liability recognised in the balance sheet	26,357.9	18,553.0	9,339.7	2,095.0
VII Expense Recognised				
Current Service Cost	8,203.9	8,274.0	2,954.5	1,699.0
Interest Cost	1,010.6	883.0	935.7	719.0
Expected Return on Plan Assets	N.A	N.A	882.0	541.0
Net Actuarial gain /(Loss) recognised for the year	(9,615.5)	(2,071.0)	(6,331.6)	(218.0)
Expense recognised in the statement of P&L A/c	18,830.1	11,228.0	9,339.7	2,095.0
VIII Movements in the liability recognised in Balance Sheet				
Opening Net Liability	18,553.00	13,457.0	2,095.00	3,395.0
Expenses as above	18,830.06	11,228.0	9,339.7	2,095.0
Benefits paid/Contribution made	11,025.12	6,132.0	2,095.0	3,395.0
Closing Net Liability	26,357.9	18,553.0	9,339.7	2,095.0
IX Current liability	13,535.32	15,600.0	6,329.18	2,095.0
Non current liability	12,822.62	2,953.0	3,010.52	-
Closing Net Liability	26,357.93	18,553.0	9,339.7	2,095.0

\* As published by IRDA and adopted as Standard Mortality Table as recommended by Institute of Actuaries of India effective 01 April, 2013

Schedules forming part of financial statements

A Employee's Benefits – Gratuity Experience Adjustment

(₹ '000)

	Financial Year Ending 31.03.2012	Financial Year Ending 31.03.2013	Financial Year Ending 31.03.2014	Financial Year Ending 31.03.2015	Financial Year Ending 31.03.2016
Benefit obligation	3,223.5	4,723.1	8,558.0	12,708.0	20,145.3
Fair Value of Plan Assets	1,847.4	3,519.2	5,163.0	10,613.0	10,805.6
Funded Status Deficit / (Surplus)	1,376.0	1,203.8	3,395.0	2,095.0	9,339.7
Experience Adjustment on plan liabilities (loss)	686.4	457.1	(3,063.4)	(1,681.0)	(373.7)
% of plan liabilities	21.29%	9.68%	-35.80%	-13.23%	-1.85%
Experience Adjustment on plan Assets (loss)	(236.6)	200.5	492.6	1,712.0	(1,514.4)
% of plan Assets	13%	5.70%	9.54%	16.13%	-14.01%
Actuarial Gain / Loss due to change in Assumptions	NA	NA	153	(249)	(4,443.6)

B Employee's Benefits – Leave Encashment Experience Adjustment

(₹ '000)

	Financial Year Ending 31.03.2012	Financial Year Ending 31.03.2013	Financial Year Ending 31.03.2014	Financial Year Ending 31.03.2015	Financial Year Ending 31.03.2016
Benefit obligation	3,641.8	7,414.6	13,457.0	18,553.0	26,357.9
Fair Value of Plan Assets	-	-	-	-	-
Funded Status Deficit / (Surplus)	3,641.8	7,414.6	13,457.0	18,553.0	26,357.9
Experience Adjustment on plan liabilities (loss)	(499.3)	2,980.0	(3,517.0)	(1,821.0)	(9,267.9)
% of plan liabilities	-13.71%	40.19%	-26.13%	-9.82%	-35.16%
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	NA	NA	158.0	(250.0)	(347.6)

C Contribution to Provident Fund

Employee Provident Fund for all eligible employees is contributed by the Company to the Regional Provident Fund Commissioner in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The funds are managed by the Regional Provident Fund Commissioner and the benefits vests immediately on rendering of the services by the employee/member with Regional Provident Fund Commission.

24 Deferred Tax

The Company has accumulated losses which though is available for set off against profits in future years, is not considered for creation of net deferred tax asset (DTA) as a matter of prudence.

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 31.03.16	Year ended 31.03.15
a Net profit/(loss) after tax	₹ in '000s	(788,389.9)	(992,585.6)
Weighted average of number of equity shares used in computing basic earnings per share	No. of Shares in '000s	393,727.1	287,602.7
b No. of shares in			
c Basic/Diluted earnings per share (a/b)	₹	(2.00)	(3.45)

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

26 In pursuant to circular 067 dated 28th March, 2008 issued by IRDA, following operating expenses are separately disclosed

(₹ '000)

Operating expenses	Year ended 31.03.16	Year ended 31.03.15
Electricity and Water	22,988.2	15,080.4
Medical Charges-Policy Issuance	36,072.4	22,777.0

27 Expenses of Management

As per the IRDA's Order No.: IRDA/F&A/CRD/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

28 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 2002 is as under:

Business Sector Year ended 31.03.2016	Year ended 31.03.16					
	GWP (₹ '000s)	No. of Lives	No. of Policies	% of GWP	% of No. of Lives	% of No. of policies
Rural	277,886.6	167,465.0	22,119.0	5.52%	10.84%	7.02%
Social	2,594.1	86,265.0	-	0.05%	5.58%	0.00%
Total	5,033,223.4	1,545,482.0	314,925.0	100.00%	100.00%	100.00%

Business Sector Year ended 31.03.2015	Year ended 31.03.15					
	GWP (₹ '000s)	No. of Lives	No. of Policies	% of GWP	% of No. of Lives	% of No. of policies
Rural	204,368.9	1,916,458.0	10,296.0	7.41%	69.93%	6.88%
Social	81,105.2	1,861,596.0	8.0	2.94%	67.93%	0.01%
Total	2,758,002.1	2,740,518.0	149,547.0	100.00%	100.00%	100.00%

29 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.

30 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.

31 Actuarial valuation of claims where claims period exceeds four years

Currently the Company does not offer any product where the claim payment term exceeds four years. Hence, no actuarial assumptions have been disclosed.

32 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, 2016 and March 31, 2015. 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.

33 Share Capital

During the year the Company has increased its authorized share capital from ₹ 400 Crores to ₹ 500 Crores. The Company has allotted ₹ 125.07 crores worth of equity shares as per below details:

Allotment dated 4th July, 2015

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Religare Enterprises Limited	22,500,000.0	10.0	225,000.0	90%
Corporation Bank	1,250,000.0	10.0	12,500.0	5%
Union Bank of India	1,250,000.0	10.0	12,500.0	5%

Allotment dated September 30, 2015

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Religare Enterprises Limited	22,500,000.0	10.0	225,000.0	90%
Corporation Bank	1,250,000.0	10.0	12,500.0	5%
Union Bank of India	1,250,000.0	10.0	12,500.0	5%

Allotment dated November 30, 2015

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Religare Enterprises Limited	22,500,000.0	10.0	225,000.0	90%
Corporation Bank	1,250,000.0	10.0	12,500.0	5%
Union Bank of India	1,250,000.0	10.0	12,500.0	5%

Allotment dated February 02, 2016

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Religare Enterprises Limited	22,500,000.0	10.0	225,000.0	89.987%
Corporation Bank	1,250,000.0	10.0	12,500.0	4.999%
Union Bank of India	1,250,000.0	10.0	12,500.0	4.999%
Mr. Gaurav Bakshi	70,000.0	10.0	700.0	0.015%

Allotment dated March 30, 2016

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Religare Enterprises Limited	22,500,000.0	10.0	225,000.0	90%
Corporation Bank	1,250,000.0	10.0	12,500.0	5%
Union Bank of India	1,250,000.0	10.0	12,500.0	5%

34 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	Service Tax Authorities	-	-	-	-
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

35 Summary of Financial Statements:

(₹ in Lacs)

S.No.	Particulars	2015-16	2014-15	2013-14	2012-13
<b>OPERATING RESULTS</b>					
1	Gross Premium Written	50,332.2	27,580.0	15,230.7	3,879.5
2	Net Earned Premium Income	28,772.7	15,372.3	8,164.4	1,308.0
3	Income from Investments (net)	2,470.8	1,266.1	557.3	84.2
4	Other Income	-	-	-	-
5	Total Income	31,243.6	16,638.4	8,721.7	1,392.1
6	Commission (Net) - Including Brokerage	(2,458.2)	1,989.8	1,274.7	219.7
7	Operating Expenses	25,705.1	15,720.7	9,731.6	4,602.4
8	Net Incurred Claims	16,471.9	9,396.7	6,524.8	1,318.6
9	Change in Unexpired Risk Reserve	7,194.6	7,532.5	4,157.7	2,154.9
10	Operating Profit/Loss	(8,475.3)	(10,468.7)	(8,809.4)	(4,748.5)
<b>NON-OPERATING RESULTS</b>					
11	Total Income under Shareholders Account	591.4	543.4	847.9	932.7
12	Profit /(loss) before tax	(7,883.9)	(9,925.3)	(7,961.5)	(3,815.8)
13	Provision for Tax	-	0.5	1.1	22.2
14	Profit/(Loss) after tax	(7,883.9)	(9,925.9)	(7,962.6)	(3,838.0)
<b>Miscellaneous</b>					
15	Policyholder's Account:				
	a) Total funds	31,623.58	20,980.10	8,095.3	2,826.1
	b) Total Investments				
	c) Yield on Investments	9.4%	9.2%	9.0%	9.1%
16	Shareholder's Account:				
	a) Total funds	13,705.68	9,515.69	10,661.2	13,303.3
	b) Total Investments				
	c) Yield on Investments	7.7%	8.8%	9.6%	9.1%
17	Paid Up Equity Capital	47,507.0	35,000.0	25,000.0	17,500.0
18	Net Worth *	17,104.0	12,480.9	12,421.0	12,882.9
19	Total Assets(Net)	57,387.0	39,952.0	26,135.5	22,508.5
20	Yield on total investments	8.9%	9.1%	9.2%	9.1%
21	Earning Per Share (₹)	(2.00)	(3.45)	(4.01)	(2.19)
22	Book value per Share (₹)	3.60	3.57	4.97	7.36
23	Total Dividend	-	-	-	-
24	Dividend Per share	-	-	-	-

\* Including Fair Value Change Account



Schedules forming part of financial statements

36 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

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

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	2,142,622
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

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

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

Schedules forming part of financial statements

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

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		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

Scheme	Number of Options Outstanding as on April 1st, 2015	Issued During the year	Cancellation of Options due to resignations / surrender 2015-16	Options Exercised 2015-16	Number of Options outstanding as on March 31st, 2016	Exercisable as at March 31st, 2016
ESOP Scheme 2010						
- Series-I	1,503,750		105,000	-	1,398,750	1,398,750
- Series-II	9,971,250		595,000	-	9,376,250	9,376,250
- Series-III	1,300,000			-	1,300,000	1,300,000
ESOP Scheme 2014						
- Series-I	9,575,000		780,000	70,000	8,725,000	2,879,250
- Series-II		7,780,000	295,000		7,485,000	-
- Series-III		1,983,500			1,983,500	-
- Series-IV		3,111,500			3,111,500	-
- Series-V		2,892,550			2,892,550	-
- Series-VI		2,224,080			2,224,080	-
- Series-VII		2,142,622			2,142,622	-
CEO Scheme 2014						
- Series-I	13,116,964	-		-	13,116,964	6,560,536
- Series-II		6,883,036			6,883,036	-
- Series-III		1,285,714			1,285,714	-
- Series-IV		1,285,714			1,285,714	-
- Series-V		1,285,714			1,285,714	-
- Series-VI		1,285,714			1,285,714	-
- Series-VII		1,285,714			1,285,714	-
<b>Total</b>	<b>35,466,964</b>	<b>33,445,859</b>	<b>1,775,000</b>	<b>70,000</b>	<b>67,067,823</b>	<b>21,514,786</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.

Schedules forming part of financial statements

37 Accounting Ratios prescribed by the IRDA

Performance Ratios	2015-16 (In Times / %)	2014-15 (In Times / %)
Gross Premium Growth Rate - Health	72%	72%
Gross Premium Growth Rate - PA	173%	584%
Gross Premium Growth Rate - Others	708%	NA
Gross Premium Growth Rate - Total	82%	81%
Gross Direct Premium to Net Worth	2.94	2.21
Growth Rate of Net Worth	37%	0%
Net Retention Ratio - Health	71%	83%
Net Retention Ratio - PA	70%	79%
Net Retention Ratio - Others	86%	86%
Net Retention ratio - Total	71%	83%
Net Commission ratio - Health	-7%	8%
Net Commission ratio - PA	-11%	18%
Net Commission ratio - Others	-1%	6%
Net Commission Ratio - Total	-7%	9%
Expenses of Management to Gross Direct Premium	63%	69%
Expenses of Management to Net Written Premium	88%	83%
Net Incurred claims to Net Earned Premium	57%	61%
Combined Ratio	122%	138%
Technical Reserves to Net Premium Ratio	0.73	0.74
Underwriting Balance Ratios	(0.38)	(0.76)
Operating Profit Ratio	-29%	-68%
Liquid Assets to Liability Ratio	0.37	0.52
Net Earning Ratio	-22%	-43%
Return on Net Worth	-46%	-80%
Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	1.85	2.04
NPA Ratio	NA	NA

38 Following Expense has been booked for various activities being carried out by Statutory auditors  
(₹ '000)

Particulars	For the Year Ended 31st March 2016	For the Year Ended 31st March 2015
Statutory Audit Fees	1,600.00	1,400.00
Tax Audit	75.00	75.00
Out of Pocket Expenses	60.08	65.81
Certification	160.00	173.00
Total	1,895.08	1,713.81

**Schedules forming part of financial statements**

- 39 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.
- 40 As per the requirement of Circular No. IRDA /F&I /CIR /F&A /012 /01 /2010 dated 28th January, 2010; the company has formed a steering committee headed by Managing Director of the Company. Committee will analyse the impact of IND AS on financials and will assist in preparation of Financials statement as per IND AS to submit provisional Financials to the authority as mandated by above Circular .
- 41 **Provision for Free Look period**  
The provision for free look period is duly certified by the appointed actuary
- 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 **Previous Year Figures**  
Previous year figures have been regrouped, reclassified in the respective schedules and notes wherever necessary to conform to the current year classifications
- 44 The figures have been rounded off to the nearest thousand.
- 45 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.S. Kothari Mehta & Co  
Chartered Accountants  
Firm Regn. No. - 000756N

For and on behalf of the Board of Directors

Sd/-

Sd/-

Shamsher Singh Mehta  
Director  
(DIN: 02201929 )

Anuj Gulati  
Managing Director & CEO  
(DIN: 00278955 )

Sd/-

Sd/-

Neena Goel  
Partner  
Membership No.: 057986

K.K. Tulshan  
Partner  
Membership No. 085033

Sd/-

Sd/-

Pervez Bajan  
Additional Director  
(DIN: 07474238 )

Pankaj Gupta  
Chief Financial Officer

Sd/-

Place : New Delhi  
Date : 28th April 2016

Pratik Kapoor  
Company Secretary

## Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

### 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 2016 :

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. 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 2016-17 has been paid.
2. It is certified that all the dues payable to the statutory authorities up to 31<sup>st</sup> March 2016 have been duly paid.
3. It is confirmed that the shareholding pattern during the year ended 31<sup>st</sup> March 2016 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 required solvency margins under the Insurance Act, 1938.
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 2016.

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

a) Ageing of Claims Outstanding:\*

Financial Year 2014-15:

Age	Number of Claims	Amount (₹ in Lakhs)
1 Month	14,149	1393.2
1-3 Months	313	168.8
3-6 Months	192	182.6
6-12 Months	7	5.0

Financial Year 2015-16:

Age	Number of Claims	Amount (₹ in Lakhs)
1 Month	21,700	2,805.9
1-3 Months	661	362.0
3-6 Months	567	387.8
6-12 Months	38	399.8

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

b) Trend in Settlement of Claims:

Period	2015-16		2014-15		2013-14		Total	
	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs
30 Days	110,338	17,891.43	78,547	8,878.15	45,396	6,701.84	234,281	33,471.41
30 Days to 6 Months	-	-	3,078	1,018.67	3,847	892.18	6,925	1,910.84
6 Months to 1 Year	-	-	18	7.56	-	-	18	7.56
1 Year to 5 Years	-	-	-	-	-	-	-	-
5 Years and Above	-	-	-	-	-	-	-	-
	110338	17,891.43	81643	9,904.37	49243	7,594.01	241224	35,389.81



## Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

10. As at 31<sup>st</sup> March 2016, 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 2016 has been calculated as per guidelines issued by Fixed Income Money Market & Derivatives Association (FIMMDA).
11. Investments are in accordance with the Insurance Act, 1938 and Insurance Regulatory & Development Authority (Investment) Regulations, 2000. Investment Portfolio consists of Government Securities & State Government Securities (Sovereign Guarantee), State Govt. Guaranteed Loan, Infrastructure Bonds (AAA), Housing Sector Bonds (AAA), Debt Mutual Funds and Deposits with various Scheduled Banks. There is no Non Performing Asset as at 31<sup>st</sup> March 2016.
12. It is hereby confirmed:
  - a. 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.
  - b. That the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating Profit or Loss of the Company for the year.
  - c. 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 (4 of 1938) and Companies Act 2013 (erstwhile Companies Act 1956) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
  - d. That the management has prepared the financial statements on a going concern basis.
  - e. That the management has ensured that the internal audit system is in commensurate with the size and nature of business and is operating effectively.
  - f. That the Company has a separate function called Fraud and Risk Investigation, to safeguard the assets for preventing and detecting fraud and other irregularities.

## 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)
Mr. Sunil Godhwani	SRL Limited	Director	Claims payment	59.36
			Medical Charges	4.79
Mr. Sunil Godhwani	Religare Commodities Limited	Director	Expense Reimbursement by Religare Commodities Limited	0.23
			Expense Reimbursement to Religare Commodities Limited	0.74
			Receipt of Premium	34.75
			Refund of Premium	1.50
Mr. Sunil Godhwani	Ligare Voyages Limited	Director	Refund of Premium	1.91
			Rent and Office Maintenance	23.75
Mr. Sunil Godhwani / Mr. Ravi Mehrotra	Religare Enterprises Limited	Director	Allocation of Equity Shares	11,250.00
			Expense Reimbursement by Religare Enterprises Limited	0.04
			Expense Reimbursement to Religare Enterprises Limited	405.61
			Receipt of Premium	2.49
			Security Deposit Received	1.00
Mr. Kamlesh Rajaninath Dangi	Aegon Religare Life Insurance Company Limited	Director	Receipt of Premium	154.24
Mr. Kamlesh Rajaninath Dangi	Religare Invesco Asset Management Company Private Limited	Director	Expense Reimbursement by Religare Invesco Asset Management Company	6.65
			Expense Reimbursement to Religare Invesco Asset Management Company	0.50

## Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

			Receipt of Premium	46.31
			Refund of Premium	0.08
Mr. Sunil Godhwani / Mr. Ravi Mehrotra	Fortis Healthcare Limited	Director	Claims Payment	77.48
Mr. Sunil Godhwani / Mr. Ravi Mehrotra	Religare Capital Markets Limited	Director	Expense Reimbursement to Religare Capital Markets Limited	0.78
			Expense Reimbursement by Religare Capital Markets Limited	0.04
			Receipt of Premium	5.00
			Refund of Premium	0.28
Mr. Sunil Godhwani	Religare Credit Advisors LLP	Designated Partner	Expense Reimbursement by Religare Credit Advisors LLP	0.07
Mr. Ravi Mehrotra	Dion Global Solutions Limited	Director	Software Development expense	0.92
			Receipt of Premium	0.92
			Refund of Premium	3.29

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

Sd/-

Shamsher Singh Mehta  
Director  
(DIN: 02201929)

Sd/-

Anuj Gulati  
Managing Director & CEO  
(DIN: 00278955)

Sd/-

Pervez Bajan  
Additional Director  
(DIN: 07474238)

Sd/-

Pankaj Gupta  
Chief Financial Officer

Sd/-

Pratik Kapoor  
Company Secretary

Place : New Delhi  
Date : 28<sup>th</sup> April 2016

To know more, visit our website

[www.religarehealthinsurance.com](http://www.religarehealthinsurance.com)

✓ Quick quote & buy    ✓ Online renewals    ✓ Customer support    ✓ Claim centre



1800-200-4488 / 1860-500-4488



[customerfirst@religarehealthinsurance.com](mailto:customerfirst@religarehealthinsurance.com)



Religare Health Insurance Company Limited

Registered Office: D-3, District Centre, Saket, New Delhi - 110017

Correspondence Office: GYS Global, Plot No. A3, A4, A5, Sector - 125, Noida, U.P. - 201301

CIN: U66000DL2007PLC161503 IRDA Registration Number - 148



**RELIGARE**  
Values that bind

Health  
Insurance

*Ab Health Hamesha*