



12th
**ANNUAL
REPORT**
2018-19

www.religarehealthinsurance.com



Ab Health Hamesha



Religare Health Insurance Company Limited

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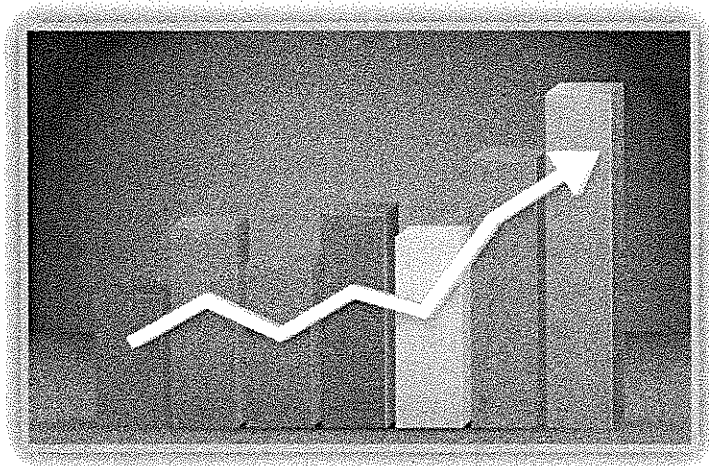
DIRECTOR'S REPORT

Dear Members,

Religare Health Insurance Company Limited

Your Directors have the pleasure of presenting the 12th Annual Report together with Audited Financial Statements of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS



(Rs. in Crores)

Particulars	2018-19	2017-18
Gross Written Premium	1,843.27	1,110.78
Net Written Premium	1,265.75	821.87
Net Earned Premium (A)	1091.20	679.67
Net Incurred Claims (B)	602.67	353.21
Net Commission (C)	(31.42)	(41.32)
Expenses (D)	558.30	443.98
Investment & Other Income (E)	95.27	59.95
Profit / (Loss) Before Tax (A-B-C-D+E)	56.92	(16.25)
Provision for tax	0	0
Profit / (Loss) After Tax	56.92	(16.25)

RHICL's INSURANCE PRODUCTS

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

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

Health Insurance Products

carē

A comprehensive Health Insurance plan to meet variant healthcare needs, CARE, has been our flagship product for 6 years in a row. What makes it popular is the ability to choose your cover from a range of optional benefits, as per your requirements.

carē freedom

A comprehensive Health Insurance Plan for senior citizens and individuals with pre-existing medical conditions. It is offered without pre-policy medical check-ups and there is no loading based on health condition.

enhancē

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

JÖY

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

super mediclaim Indemnity Coverage for specific critical illnesses and surgeries at highly affordable premiums (EMI options) with IPD as well as OPD coverage & lifelong renewability.

carē heart Product specifically designed for someone with a pre-existing heart disease i.e. someone who has undergone a heart surgery in the last 7 years

- Cover without any Pre Medical Tests at any age
- Patients suffering from specific pre-existing heart conditions
- Reduced wait periods of 2 years for PED coverage

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

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

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

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

Group carē With adherence to the belief that human capital is an enterprise's most invaluable asset, Group Care spans an array of treatment modalities - from intensive in-patient care to primary healthcare and from maternity related treatment to organ transplantation.

With a bouquet of optional services to choose from and customize, Group Care is a straightforward plan designed to offer comprehensive coverage with maximum convenience.

Group explore

This product provides coverage against emergency care of any illness or injury suffered during overseas travel.

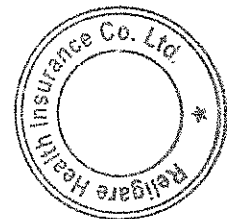
Along with the mandatory Benefit – ‘Medical Cover’ and its optional extensions, Policyholder has further choice to opt for any of the 38 Optional Benefits as per their requirement.

Group secure

A Fixed Benefit product against Accidental Death and Disabilities with an option to customize the product.

Grameen care

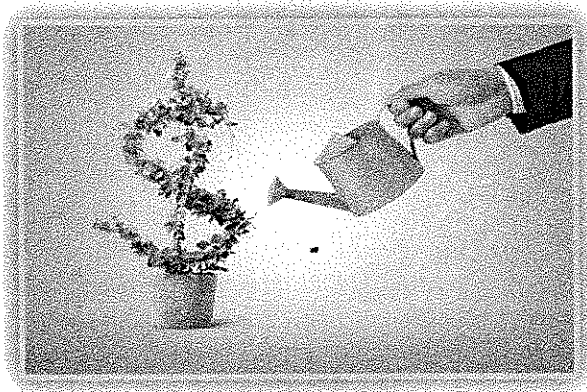
A micro-insurance product, which is a comprehensive Health Insurance plan to meet rural India’s healthcare needs.



FUTURE OUTLOOK



In Financial year 2019-20, the industry is expected to grow at a steady pace in line with the growth seen in FY 2018-19. To achieve this, your Company plans to focus on increasing its distribution footprint through various Channels such as Agency, Banks, Brokers, Digital, Online etc.



INVESTMENTS

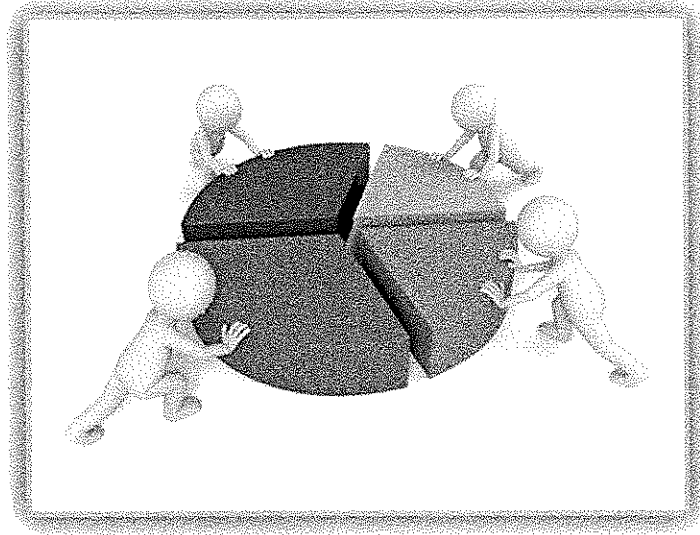
Your company has made Investments in compliance with IRDAI Investment Regulations and total Asset under management as on 31st March, 2019 stands at Rs. 1,301.7 Crore (including deposit with banks amounting to Rs. 21.0 Crore).



TRANSFER TO RESERVES

Your Company had not transferred any amount towards the reserves and surplus during the financial year 2018-2019. However the company has created a reserve for employee stock option expenses amounting to Rs. 13.99 Crores during the financial year 2018-19.

SHARE CAPITAL



The authorized share capital of your Company as on March 31, 2019 is Rs. 1300,00,00,000 (Rupees Thirteen Hundred Crores only) divided into 130,00,00,000 equity shares (One Hundred and Thirty Crores only) of Rs. 10/- each (Rupees Ten only).

During the year your Company has raised Rs. 50,72,57,800 (Fifty Crore Seventy Two Lakh Fifty Seven Thousand Eight Hundred Only) by allotting 5,07,25,780 (Five Crore Seven Lakh Twenty Five Thousand Seven Hundred Eighty) equity shares of Rs. 10 each in four tranches to the existing shareholders on Right Issue basis in the existing ratio. Further, the Company has also allotted 4,29,94,247 (Four Crore Twenty Nine Lakh Ninety Four Thousand Two Hundred Forty Seven) Equity Shares of Rs. 10/- each to Employees of the Company pursuant the exercise of ESOP options.

The paid up equity share capital of your Company as on March 31, 2019 is Rs. 688,54,98,880 (Six Hundred Eighty Eight Crore Fifty Four Lakh Ninety Eight Thousand Eight Hundred Eighty Only) divided into 68,85,49,888 (Sixty Eight Crore Eighty Five Lakh Forty Nine Thousand Eight Hundred Eighty Eight)-equity shares of Rs. 10 each (Rupees Ten each only).

ISSUE OF SWEAT EQUITY SHARES

During the financial year, your company has not issued any sweat equity shares.

RURAL & SOCIAL SECTOR OBLIGATION

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

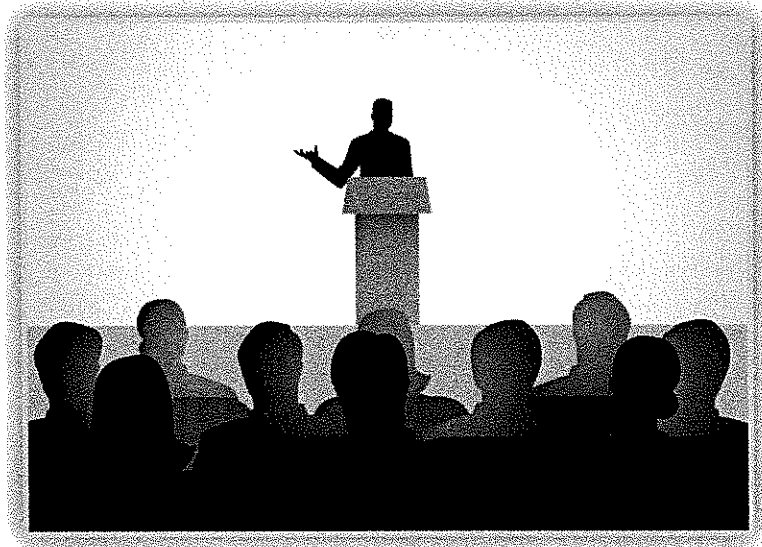
DIVIDEND

Your Company was able to earn a profit of Rs. 56.92 Crores in FY 2018-19. Since the Company is in the growing phase and has accumulated losses, hence no dividend has been declared.

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

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

STATEMENT ON THE AFFAIRS OF THE COMPANY



- Section 3A of the Insurance Act, 1938 has been amended by the Insurance Laws (Amendment) Act, 2015 to remove the process of annual renewal of the Certificate of Registration issued to Insurers under Section 3 of the Insurance Act, 1938. However, it has been stated that Insurers shall continue to pay such annual fee as may be prescribed by the Regulations. Insurance Regulatory Development Authority of India (“IRDAI”) in line with the above amendment issued a general circular stating that Certificate of Registration of the Insurers renewed in 2014, expiring in March 2015, shall continue to be in force from April 1, 2015 subject to payment of renewal fee. Your Company had paid the renewal fee.
- During its Seventh year and Sixth full fiscal year of operations, your Company has continued to focus on developing its personnel 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 111 branches.

- During financial year 2018-19, your Company has under-written premium of Rs. 1,843.27 Crores.
- Your Company has tied up with more than 10,000 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.

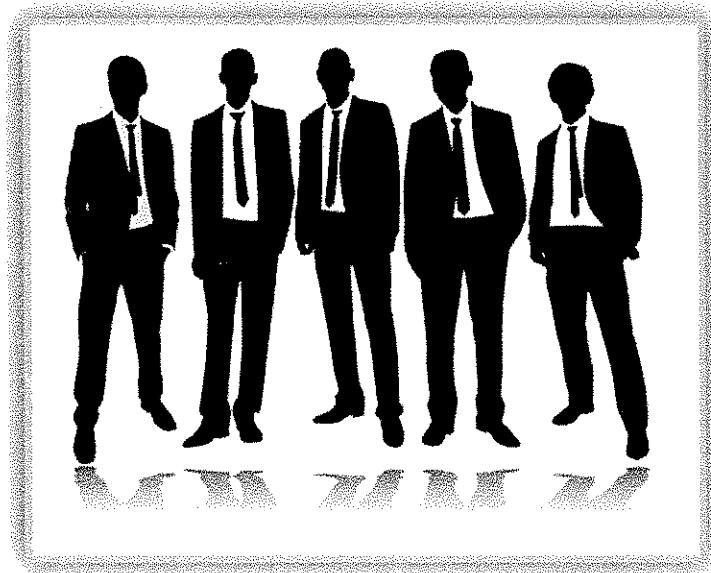
CHANGE IN THE NATURE OF BUSINESS

Your Company has not changed its nature of business during the year.

DETAILS OF REVISION OF FINANCIAL STATEMENT OR REPORT

Neither during FY 2018-19 nor in any of the three preceding financial years, the Company has revised its Financial Statement or reports either voluntarily or pursuant to the order of a judicial authority

DIRECTORS



The composition of the Board of Directors of your Company is in conformity with the requirements of Corporate Governance Guidelines issued by IRDAI and the Companies Act, 2013. As on March 31, 2019, the Board of Directors of the Company consists of 6 Directors comprising a Managing Director & CEO, a Non-Executive Director and 4 Non Executive Independent Directors as follows:

Board of Directors

as on March 31, 2019

Executive Directors

↓
Mr. Anuj Gulati
(Managing Director & CEO)

Non- Executive Directors

↓
Mr. Daljit Singh
(Non-executive Director)

↓
- Mr. Sham Lal Mohan
- Lt. Gen. (Retd.) Shamsher Singh Mehta
- Ms. Asha Nair
- Mr. Mahay Kumar Sinha

(Independent Directors)

During the year Ms. Hiroo Mirchandani, Director of the Company had stepped down from the Board of Directors and various committees w.e.f. June 20, 2018.

As per the rotation policy agreed between the Company and its shareholders, during the year, Mr. Sanjay Sharma, Nominee from Union Bank of India was appointed as Nominee Director on February 15, 2018 for a period of 6 (Six) months and his tenure was completed on August 14, 2018.

Also, the Company vide its letter dated 06.12.2018 had requested the Authority to relax the requirement of seeking of prior approval before the appointment of nominee director from Corporation Bank and Union Bank of India, who are also acting as Corporate Agent, but the Authority vide its letter dated 03.01.2019 has directed the Company to change the tenure of Nominee directors from 6 months to 2 years.

Further during the year, the members in the last Annual General Meeting held on July 28, 2018 approved the appointment of Mr. Anuj Gulati and Mr. Sanjay Sharma as the directors of the Company liable to retire by rotation. The Company had received requisite declarations and disclosures under the Companies Act, 2013 and IRDAI Corporate Governance Guidelines from Mr. Anuj Gulati and Mr. Sanjay Sharma respectively.

Further during the year, Mr. Daljit Singh who was appointed as an Additional Non-Executive Director on the Board of the Company on February 15, 2018, was regularized as a Non-Executive Director liable to retire by rotation as per the provision of the Companies Act, 2013, in the last Annual General Meeting held on July 28, 2018. The Company had received requisite declarations and disclosures under the Companies Act, 2013 and IRDAI Corporate Governance Guidelines from Mr. Daljit Singh.

Also, during the year, Mr. Daljit Singh, Non-executive Director, is liable to retire by rotation and he has offered himself to be reappointed as the Non-executive director of the Company.

Also, during the year, Mr. Sham Lal Mohan and Lt. Gen. (Retd.) Shamsheer Singh Mehta were reappointed as the Independent Directors of the Company w.e.f April 01, 2019 to March 31, 2024 in the Extra-Ordinary General Meeting held on November 06, 2018 as per the provision of the Companies Act, 2013.

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

Additionally, during the year, Mr. Malay Kumar Sinha and Mrs. Asha Nair were appointed as an Additional Non Executive and Independent Directors of the Company on November 2, 2018 and whose appointments were further regularized in the Extra Ordinary General Meeting held on November 06, 2018 as per the provisions of the Companies Act, 2013.

Also, after the end of the financial year but till the date of the report, Mr. Siddharth Dinesh Mehta is appointed as an Additional Non-executive Director of the Company w.e.f. April 26, 2019.

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

COMMITTEES OF THE BOARD

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



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



MEETINGS OF THE BOARD AND ITS COMMITTEES



Details of the composition, qualification, field of specialization, status of Directorships, meetings held during the financial year 2018-2019 and the attendance at each meeting of the Board and its Committees are as under:

BOARD OF DIRECTORS

During the year, your Company held four (4) Board Meetings i.e. on April 26, 2018, July 30, 2018, November 02, 2018 and February 14, 2019. The brief details are as under:

No.	Name of the Director	Qualification	Field of specialization	Category	No. of meetings attended
1	Mr. Sham Lal Mohan*	B.Sc. Mechanical Engg. and AllI (General), Insurance Institute of India, Mumbai	Insurance Sector	Non-Executive Independent Director	4
2	Lt. Gen. (Retd.) S. S. Mehta *	M. Sc. (Defence Studies)	Defence	Non-Executive Independent Director	4
3	Ms. Hiroo** Mirchandani	B.Com(Hon.), MBA	Consulting and Advisory	Non-Executive Independent Director	1
4	Mr. Daljit Singh ***	Graduate from the Indian Institute of Technology, Delhi	Healthcare	Non-Executive Director	4
5	Mr. Sanjay Sharma****	M.sc	Banking services	Bank Nominee Director	1
6	Mr. Malay Kumar	B.A. (Hons) ,M.A. in	Government	Non-	2*

	Sinha*****	Humanities and M. Phil in strategic studies	Department	Executive Independent Director	
7	Mrs. Asha Nair*****	Economic (Hons), Masters in Social Work	Insurance Sector	Non-Executive Independent Director	2
8	Mr. Siddharth#	Bachelor's degree in Business Management and Finance from King's College, University of London.	Business Management	Additional Non-Executive Director	0
9	Mr. Anuj Gulati	B. Tech, IIT Delhi, PGDBM, IIM Bangalore	Insurance Sector	Managing Director & CEO	4

* Reappointed as Independent Director w.e.f April 01, 2019

**Resigned from the Company w.e.f. June 20, 2018

*** Regularisation as a director w.e.f July 28, 2018

**** Tenure ended w.e.f. August 14, 2018

***** Appointed as an Additional Non Executive Independent director on October 04, 2018 and regularized as Non-Executive Independent Director w.e.f. November 06, 2018.

***** Appointed as an Additional Non Executive Independent director on September 19, 2018 and regularized as Non-Executive Independent Director w.e.f. November 06, 2018.

- Appointed as an Additional Non-Executive Director in the Board Meeting held on April 26, 2019.

Approval of Regulatory Authority required before the appointment of a Director/ Key Managerial Personnel (Obtained if, any): During the year, it was proposed to appoint Mr. Malay Kumar Sinha on the Board of the Company. Since he is a common director in the group companies also i.e. Religare Finvest Limited and Religare Enterprises Limited, the approval of IRDAI was sought. In this regard, the Company had filed an application with IRDAI on August 28, 2018 according to which the IRDAI approval was received vide letter dated October 04, 2018.

AUDIT COMMITTEE

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

During the year, the Committee held four (4) meetings i.e. on-April 26, 2018, July 30, 2018, November 02, 2018 and February 14, 2019. 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	Ms. Hiroo Mirchandani*	1
4	Mr. Daljit Singh**	3

5	Mrs. Asha Nair***	2
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*Resigned from the Company w.e.f. June 20, 2018

**Appointed as a member w.e.f. July 30, 2018

***Appointed as a member w.e.f. September 19, 2018

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 26, 2018, July 30, 2018, November 02, 2018 and February 14, 2019. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Mr. Anuj Gulati	4
2	Mr. Pankaj Gupta	4
3	Mr. Nitin Katyal	4
4	Mr. Manish Dodeja	4
5	Lt. Gen. (Retd.) S. S. Mehta	4
6	Mr. Irvinder Singh Kohli	4
7	Mr. Sanjay Sharma*	1
8	Mr. Sham Lal Mohan**	3

*Appointed in Committee w.e.f. February 15, 2018 and tenure ended on August 14, 2018.

** Appointed as a member of the Investment Committee w.e.f. April 26, 2018.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been functioning in accordance with Corporate Governance Guidelines issued by IRDAI, wherein its major role 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 26, 2018, July 30, 2018, November 02, 2018 and February 14, 2019. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Mr. S. L. Mohan	4
2	Mr. Anuj Gulati	4
3	Mr. Daljit Singh	3

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 26, 2018, July 30, 2018, November 02, 2018 and February 14, 2019. The details are as under:

Sr.	Name of the member	No. of meetings attended
-----	--------------------	--------------------------

No.		
1	Lt. Gen. (Retd.) S. S. Mehta	4
2	Mr. Anuj Gulati	4
3	Ms. Hiroo Mirchandani*	1
4	Mr. Daljit Singh	3
5	Mrs. Asha Nair**	2
6	Mr. S. L. Mohan (Expert Representative)	4

*Resigned from the Company w.e.f. June 20, 2018

**Appointed as a member w.e.f. September 19, 2018

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

Nomination/ Remuneration Committee (formerly known as Remuneration/Compensation Committee) has been functioning pursuant to the Companies Act, 2013 and Corporate Governance Guidelines issued by IRDAI. One of its major roles is to determine the remuneration and compensation packages for the CEO and approve the compensation philosophy for employees of the Company. During the year, the Committee held Four (4) meetings i.e. on April 26, 2018, July 30, 2018, November 02, 2018 and February 14, 2019. The details are as under:

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

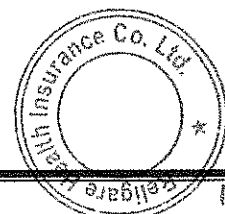
ALLOTMENT COMMITTEE

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 31, 2018, June 30, 2018, July 31, 2018, August 31, 2018, September 20, 2018, September 25, 2018, September 29, 2018, October 31, 2018, November 26, 2018 and February 07, 2019. The details are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Mr. Anuj Gulati	10
2	Mr. Daljit Singh	7
3	Mr. Sham Lal Mohan*	10

*Appointed as a member April, 26, 2018.

Apart from the above mentioned Committee meetings, there was also an Independent Director's Meeting held on April 26, 2018 in accordance to the Schedule IV of the Companies Act, 2013.



KEY MANAGERIAL PERSONNEL (KMP)

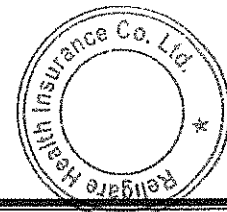


The Board in its meeting held on April 30, 2014 had designated Mr. Anuj Gulati, Managing Director & CEO, Mr. Pankaj Gupta, Chief Financial Officer and Mr. Pratik Kapoor, Company Secretary as KMPs of the Company in accordance to the Companies Act, 2013.

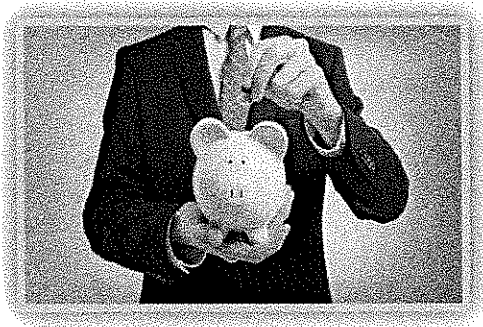
Further, the Board in its meeting held on July 26, 2016 had designated the following as the KMPs of the Company in accordance to the IRDAI revised Corporate Governance Guidelines:

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

*re-appointed w.e.f July 23, 2018.

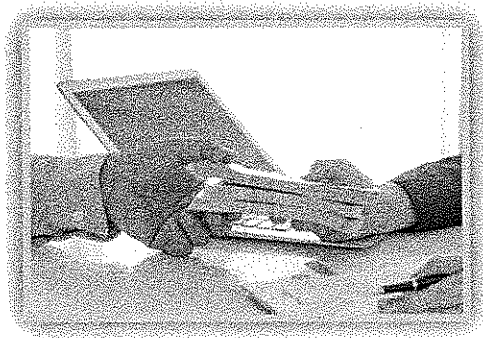


DEPOSITS



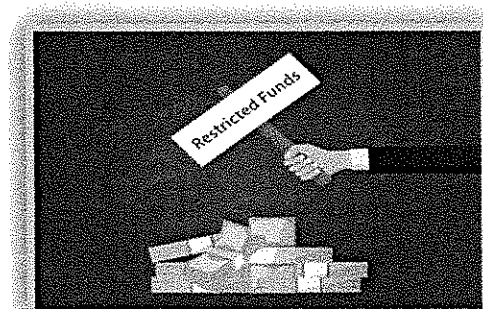
Your Company has neither invited nor accepted any deposits from the public during the year under review within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 in accordance to the below details

LOANS AND INVESTMENT

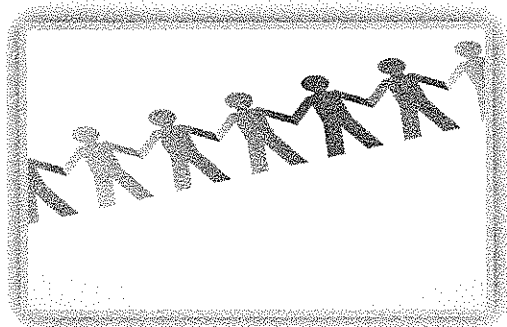


The Company had not taken any loans. Also, the Investment has been made in accordance to the Insurance Act, 1938 and prescribed Rules, Regulations and circulars thereunder.

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 an 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 for the financial year 2018-19.

DIRECTOR'S APPOINTMENT POLICY AND POLICY ON REMUNERATION OF DIRECTORS

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

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

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

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

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

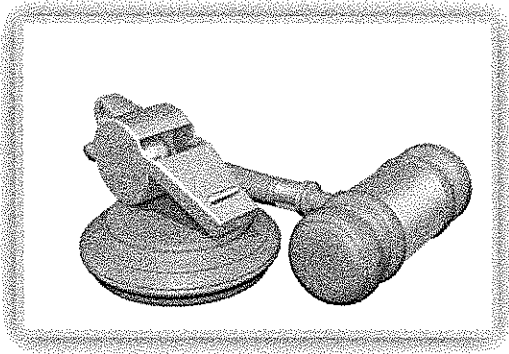
The form and amount of director remuneration will be recommended by the NRC to the Board for approval within the maximum amount permissible under the law. Employee directors will not be paid for Board membership in addition to their regular employee compensation.

The NRC will conduct a review of director compensation on a periodic basis to ensure directors of the Company are compensated effectively in a manner consistent with the strategy of the

Company, and to further ensure that the Company will be able to attract, retain and reward those who contribute to the success of the Company.

The Board and Committee(s) members in its meeting held on April 26, 2019, evaluated the Board and the Committee(s). Also, in the Board Meeting, the Peer Evaluation was done on April 26, 2019.

VIGIL MECHANISM ESTABLISHED BY THE COMPANY



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

The Objective of the Policy:

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

The Company had not received any case during the FY 2018-2019.

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



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

trainees) are covered under the Policy. The following is a summary of sexual harassment complaints received and disposed of during the year 2018-2019.

a) No. of complaints received: 1

b) No. of complaints disposed of: 1

EMPLOYEES STOCK OPTION SCHEME

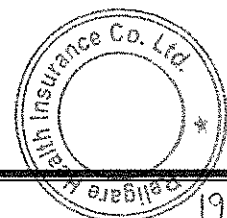


The details of the Employees Stock Option Scheme of the Company are as under for the financial year ended March 31, 2019:

PARTICULARS	DETAILS
Options granted	8,11,15,921
Options vested	82,37,495
Options exercised*	4,29,94,247
The total no. of shares arising as a result of exercise of option	4,29,94,247
Options lapsed	28,01,262
The exercise price	Rs. 10/-
Variation of terms of options	As per the various schemes approved by the members in the Annual General Meeting held on July 25, 2014, July 28, 2018 & November 06, 2018
Money realized by exercise of options	42,99,42,470
Total no. of options in force	9,83,64,260
Employee wise details of options granted:	
(i) Key Managerial Personnel	
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	CEO
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital(excluding outstanding warrants and conversations) of the company at the time of grant.	CEO

* ESOPs issued in FY 2018-19

AUDITORS





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

The Company in its Annual General Meeting held on August 26, 2017 had approved the appointment of M/s T. R. Chadha & Co. LLP and M/s S. P. Chopra & Co. for a period of five years and further in Annual General Meeting held on July 28, 2018 had ratified the re-appointment of M/s T. R. Chadha & Co. LLP and M/s S. P. Chopra & Co. as Joint Statutory Auditors of the Company for the FY 18-19 who have confirmed their eligibility and willingness to accept the office of the Statutory Auditors.

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

FRAUDS REPORTED BY THE AUDITOR

No material fraud was reported by the Auditors of the Company during the financial year 2018-19.



AUDITORS' REPORT

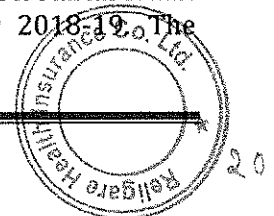
The observations of the Auditors in their report read together with the Notes on Accounts are self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation. Also, no material fraud was reported by the Auditors of the Company during the Financial year 2018-19.



SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed PI & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2018-19.

Report of the Secretarial Audit Report is enclosed as **Annexure B**.



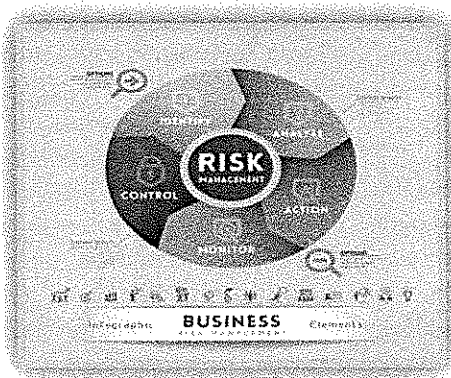
INTERNAL CONTROLS



Your Company has adequate system of Internal control in place.

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

RISK MANAGEMENT



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

DIRECTOR'S RESPONSIBILITY STATEMENT

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

- a) In the preparation of the annual accounts for the year ending March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgements and estimations that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and

- e) ~~The directors, in the case of a listed company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; (not applicable on our company)~~
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

ANNUAL RETURN

A copy of annual return of the Company is placed on the website of the Company and the same can be accessed from the following web link:

https://cms.religarehealthinsurance.com/cms/public/uploads/uploads/other_disclosure/AnnualReturn2018-19_1558681038.pdf

Note: The link will be available within 60 days from the date of the Annual General Meeting of the Company.

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 2018-2019 is Rs. 16.16 Crore and the Foreign Exchange outgo in terms of actual outflows during the year 2018-2019 is Rs. 19.39 Crores.

FORMAL ANNUAL EVALUATION



The Board of Directors in its meeting held on January 23, 2015 and further in its meeting held on November 06, 2018 had adopted the Board Evaluation policy in accordance with Sections 134, 178 and Schedule IV of the Companies Act, 2013 ("Act") read with applicable Regulations under the Act. The Salient feature of the Policy is as follows:

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

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

Performance Evaluation of the Committees and Board as a whole

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

Performance Evaluation of Individual Directors

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

Last year, the Board members and Committee members evaluated the Board and the Committee respectively and also evaluated the peer directors in the meeting of Board and its Committees held on April 26, 2019.

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**.

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

Nomination & Remuneration Committee. The consolidated remuneration paid to KMPs defined as per IRDAI Corporate Governance Guidelines is Rs. 20.56 crores.

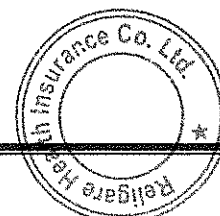
COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a statutory body, has issued Secretarial Standards (SS) on various aspects of corporate law and practices. The Company has complied with the SS - 1 on Board Meetings and SS - 2 on General Meetings.

CERTIFICATION UNDER IRDAI CORPORATE GOVERNANCE GUIDELINES

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

Accordingly, a Certificate for compliance of the Corporate Governance Guidelines is enclosed as **Annexure 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 of India, the Auditors of your Company, Banks, other Government Authorities, Distribution Partners and Employees during the year under review and look forward to their continued support in the future.

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

 
Managing Director & CEO **Director**

**Place: Gurugram
Dated: April 26, 2019**

RELIGARE HEALTH INSURANCE COMPANY LIMITED



Policy on Director's Appointment
(RHICL/CP/MR/1.5)

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Health
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Religare Health Insurance Company Limited

Policy on Director's Appointment

1. PREAMBLE

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

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

2. PURPOSE

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

3. DEFINITIONS

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

"Board" means Board of Directors of the Company

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

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

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

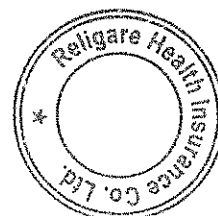
"Non-Executive Director" means a person who is not employee of the Company

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

"Company" means Religare Health Insurance Company Limited

4. POLICY

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



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

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

5. EFFECTIVE DATE OF POLICY

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



RELIGARE HEALTH INSURANCE COMPANY LIMITED



Policy on Remuneration of Directors
(RHICL/CP/MR/1.3)

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1. INTRODUCTION

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

2. OBJECTIVES

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

3. DEFINITIONS

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

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

"Board" means Board of Directors of the Company

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

"Company" means Religare Health Insurance Company Limited

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

"Total Pay" means fixed pay plus variable pay

"Authority" is Insurance Regulatory Development Authority of India

4. POLICY GUIDELINES FOR CEO / MD / WTD

4.1. GENERAL

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



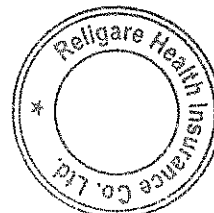
- In case the annual remuneration exceeds Rs. 1.5 crore (including all perquisites plus bonuses etc.), such excess shall be borne by the Shareholder's account
- No remuneration shall be paid to CEO / MD / WTD by any of the promoter / investor or by any group companies of the promoters' / investors' companies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

4.2. REMUNERATION COMPOSITION & GUIDELINES

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

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

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



4.3. CLAWBACK

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

4.4. RECOMMENDATION FOR REMUNERATION REVISION

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

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

5. POLICY GUIDELINES FOR NON- EXECUTIVE DIRECTORS

5.1. The NRC may recommend to the Board to pay remuneration in the form of profit related commission to the Non-Executive Directors, subject to the Company making profits. Such remuneration, however, shall not exceed Rs. 10 Lakhs per annum for each such Director.

5.2. Sitting Fees and reimbursement of expenses: In addition to the Director's remuneration mentioned in clause 5.1, the NRC may recommend to the Board to pay sitting fees to the Non-Executive Directors and reimburse their expenses for participation in the Board and other meetings, subject to compliance with the provisions of the Companies Act, 2013.

6. POLICY GUIDELINES FOR INDEPENDENT DIRECTORS

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





Health
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Religare Health Insurance Company Limited

Policy on Remuneration of Directors

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

7. POLICY REVIEW

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

8. AMENDMENTS

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

9. Effective Date of the Policy

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



RELIGARE HEALTH INSURANCE COMPANY LIMITED



KMP's Appointment and Remuneration Policy
(RHICL/CP/MR/1.5)

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KMP's Appointment and Remuneration Policy

1. PREAMBLE

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

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

2. PURPOSE

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

3. DEFINITIONS

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

"Board" means Board of Directors of the Company

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

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

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





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Insurance

Religare Health Insurance Company Limited

KMP's Appointment and Remuneration Policy

“Policy” means KMP's Appointment and Remuneration Policy

“Company” means Religare Health Insurance Company Limited

“CEO” means the Chief Executive Officer of the Company

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

4. POLICY

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

5. EFFECTIVE DATE OF POLICY

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



FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[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]

To,
 The Members,
Religare Health Insurance Company Limited
 (U66000DL2007PLC161503)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Religare Health Insurance Company Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Religare Health Insurance Company Limited ("the Company") for the financial year ended on March 31, 2019, according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; *(Not applicable to the Company during the period under review)*

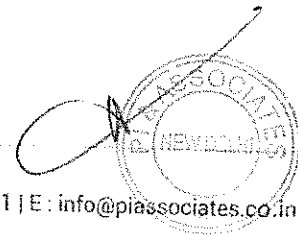
CORPORATE OFFICE

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

LOCATIONS

Hyderabad | Trivandrum | Vadodara

www.piassociates.co.in

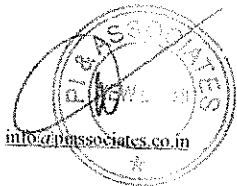


- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (*Not applicable to the Company during the period under review*)
- (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;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (*Not applicable*)
 - (d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*Not applicable*)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (*Not applicable*)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Not applicable*)
- (vi) We, based upon the compliance certificates and report of concurrent/ internal auditor, further state 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 the following pertinent laws, rules, regulations and guidelines as specifically applicable to the Company:-

- a) Insurance Regulatory and Development Authority of India Act, 1999, and

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
Hyderabad | Trivandrum | Vadodara



- b) Insurance Act, 1938 and Rules/Regulations made thereunder including all the guidelines, circulars, notifications issued by the Authority from time to time.

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. 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.

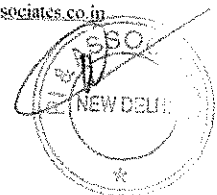
Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

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

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

We further report that during the audit period the company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

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- I. Increase in Authorized Share Capital of the Company from Rs. 800 Crores (Rupees Eight Hundred Crores Only) divided into 80 Crores (Eighty Crores) Equity Shares of Rs. 10/- each to Rs. 1300 Crores (Rupees Thirteen Hundred Crores Only) divided into 130 Crores (One Hundred and Thirty Crores) Equity Shares of Rs. 10 each by creation of additional 50 Crores (Fifty Crores) Equity Shares of Rs. 10/- each.
- II. Approval of borrowing limit of the Company under Section 180(1) (c) upto the sum of Rs. 150 Crores (Rupees One Hundred and Fifty Crores Only).
- III. Approval for Issuance of Debentures by way of Private Placement within the overall borrowing limits of the Company of Rs. 150 Crores (Rupees One Hundred and Fifty Crores Only).
- IV. Approval for Amendment to Religare Health Insurance Employee Stock Option Scheme 2014 and Religare Health Insurance CEO Stock Option Scheme 2014.

For PI & Associates
Company Secretaries



Nitish Latwal
Nitish Latwal

Partner

ACS No.: 32109

C P No.: 16276

Date: April 26, 2019

Place: New Delhi

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

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"Annexure A"

To,
The Members,
Religare Health Insurance Company Limited

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

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

For PI & Associates,
Company Secretaries



Nitesh Latwal
Nitesh Latwal

Partner

ACS No.: 32109

C P No.: 16276

Date: April 26, 2019

Place: New Delhi

CORPORATE OFFICE

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Annexure - C

RELIGARE HEALTH INSURANCE COMPANY LIMITED									
Particulars of employees as per the Companies Act, 2013 and prescribed rules for the year ended 31.03.2019									
S.No.	Name	Age	Designation	Gross Remuneration	Qualification	Experience	Date of Employment	Last Employment	% equity held
1	Anuj Gulati	45	Managing Director & CEO	84310714	MBA	21+ Yrs	02-Nov-09	ICI Lombard General Insurance Co Ltd	2.000%
2	Ajay Shah	47	Chief Marketing Officer	26656596	Chartered Accountant	25+ Yrs	18-Apr-11	ICI Lombard General Insurance Co Ltd	0.080%
3	Pankaj Gupta	45	Chief Financial Officer	23615593	Chartered Accountant	20+ Yrs	17-Apr-06	Evolution India	0.080%
4	Sachin Maheshwari	43	Business Head- Digital & Business Development	15953121	MBA	17+ Yrs	18-Aug-10	ICI Lombard General Insurance Co Ltd	0.043%
5	Chandrakant Mishra	54	Head - Institutional Business	13948656	Post graduate in Economics	29+ Yrs	11-Aug-12	Cholamandalam MS General Insurance	Nil
6	Manish Dodeja	41	Chief Risk Officer	13131164	Chartered Accountant	12+ Yrs	29-Jan-10	ICI Lombard General Insurance Co Ltd	Nil
7	Kolla Suresh	43	Head - IT	11779075	MBA	17+ Yrs	19-Jan-10	ICI Lombard General Insurance Co Ltd	Nil
8	Irvinder Singh Kohli	46	Appointed Actuary	11676993	Fellow Actuary	12+ Yrs	08-Aug-16	AXA Business Services	Nil
9	Shramil Shantilal Modi	47	Business Head - Agency	10872832	DMM	16+ Yrs	11-Jun-12	Birla Sunlife Insurance	Nil
10	Sanjeev Meghani	42	Head- Human Resources	10694025	MBA	19+ Yrs	10-Feb-11	Max New York Life Insurance	Nil

By Order of the Board of Directors

For Religare Health Insurance Company Limited



[Signature]
Managing Director & CEO

[Signature]
Director

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- Notes:
- Persons named above are the top ten employees in terms of remuneration drawn and the name of every employee whose aggregate remuneration during the year was not less than Rs. One Crore and two lakh per annum.
 - Details of the employees who were employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which in aggregate, was not less than eight lakh and fifty thousand rupees per month
 - if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.
 - Remuneration includes salary, allowances, leave encashment, bonus, leave travel, concession, reimbursement of medical expenses to employees and employer's contribution to Provident Fund. In addition, the employees are entitled to gratuity/group insurance in accordance with Company's Rules.
 - Remuneration mentioned above is inclusive of retirement/ separation benefits paid during the year.
 - None of the Employees are related to any Director of the Company except Mr. Anuj Gulati who is Managing Director & CEO of the Company.
 - All the above mentioned employees are permanent in nature.

Dated: April 26, 2019

April 26, 2019

"Certification for compliance of the Corporate Governance Guidelines"

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


Pratik Kapoor
Company Secretary

T. R. Chadha & Co. LLP
Chartered Accountants
B-30, Kuthiala Building,
Connaught Place,
New Delhi-110001

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

INDEPENDENT AUDITORS' REPORT

To The Members of Religare Health Insurance Company Limited

Opinion

We have audited the accompanying financial statements of **Religare Health Insurance Company Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2019, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account for the year ended 31st March, 2019 and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in accordance with the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Companies Act, 2013 ("the Act") including the applicable Accounting Standards specified under Section 133 of the Act, read with the applicable rules, current practices prevailing within the insurance industry in India and the orders / directions and circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI") in this regard to the extent applicable, and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India as applicable to insurance companies:

- a. in the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2019;
- b. in the case of the Revenue Account, of its Surplus for the year ended on that date;
- c. in the case of the Profit and Loss Account, of its Profit for the year ended on that date; and
- d. in the case of the Receipts and Payments Account, of its Receipts and Payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules



thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The estimate of claims Incurred But Not Reported [IBNR] (including claims Incurred But Not Enough Reported [IBNER]) has been certified by the Company's Appointed Actuary. The Appointed Actuary has certified to the Company that the assumptions used for such estimation are appropriate and are in accordance with the requirements of relevant regulation issued by IRDAI and Actuarial Practice Standards issued by Institute of Actuaries of India. We have relied upon on the Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

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

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report, and its annexures, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with applicable rules, the requirements of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, and the orders / directions and circulars issued by the IRDAI in this regard, to the extent applicable and in the manner so required.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

Report on other Legal and Regulatory Requirements

1. As the Company is not covered by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, no report is given on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, read with Section 143 (3) of the Companies Act, 2013, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit and found them to be satisfactory;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. As the Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches and other offices of the Company;
 - d. The Balance Sheet, the Revenue Account, the Profit & Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;



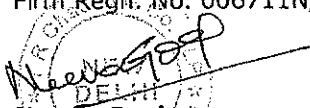
- e. In our opinion, the Investments have been valued in accordance with the provisions of the Insurance Act 1938, as amended by the Insurance Laws (Amendment) Act, 2015, Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and orders / directions issued by IRDAI in this regard;
 - f. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with applicable rules to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders / directions issued by IRDAI in this regard;
 - g. On the basis of the written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a Director in terms of Section 164 (2) of the Companies Act, 2013.
 - h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - i. Since the Company is an IRDAI regulated entity, therefore, the provisions of Section 197(16) of the Companies Act, 2013 w.r.t. managerial remuneration are not applicable. The remuneration (other than bonus) paid by the Company to the Managing Director and CEO is in accordance with the requirement of Section 34A of the Insurance Act, 1938. The bonus for MD and CEO for the year 2018-19 is pending for approval with IRDAI, in accordance with Section 34A of the Insurance Act, 1938.
 - j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 1 of Notes to accounts to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. We have issued a separate certificate in "Annexure B" of even date on the matters specified in paragraph 4 of Schedule C to the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 issued by IRDAI.



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

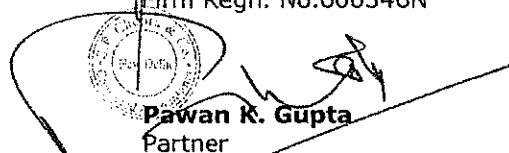
- a. We have reviewed the Management Report attached to the financial statements for the year ended 31st March, 2019 and have found no apparent mistake or material inconsistencies with the financial statements; and
- b. Based on information and explanations received during the normal course of our audit, management representations and compliance certificates submitted to the Board by the officers of the Company charged with the compliance and the same being noted by the Board, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDAI.

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


Neena Goel
Partner
M. No: 057986

Place: New Delhi
Date : 26.04.2019

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


Pawan K. Gupta
Partner
M. No 092529

T. R. Chadha & Co. LLP
Chartered Accountants
B-30, Kuthiala Building,
Connaught Place,
New Delhi - 110001

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

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

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

We have audited the internal financial controls over financial reporting of **Religare Health Insurance Company Limited** ("the Company") as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The



procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

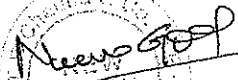
Other Matter

The estimate of claims Incurred But Not Reported [IBNR] and claims Incurred But Not Enough Reported [IBNER] has been certified by the Company's appointed actuary as per the Regulations and has been relied upon by us as mentioned in 'Other Matter' paragraph of our Audit Report on the financial statements for the year ended 31st March,



2019. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the adequacy and operating effectiveness of the internal controls over the quantum and accuracy of the aforesaid liabilities.

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


Neena Goel
Partner
M. No. 057986

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


Pawan K. Gupta
Partner
M. No. 092529

Place: New Delhi
Date : 26.04.2019.

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

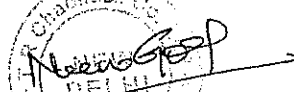
AUDITORS' CERTIFICATE

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by **Religare Health Insurance Company Limited** ('the Company') for the year ended 31st March, 2019, we certify that:

1. We have verified the cash balances maintained by the Company, to the extent considered necessary. As regards the securities relating to the Company's investments as at 31st March, 2019, the same have been verified on the basis of the dematerialized statement / confirmations received from the custodian;
2. The Company is not a trustee of any trust; and
3. No part of the assets of the policyholders' funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015, relating to the application and investments of the policyholders' funds; and


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

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


Neena Goel
Partner
M. No. 057986

Place: New Delhi
Date : 26.04.2019

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


Pawan K. Gupta
Partner
M. No. 092529

FORM B-RA
MISCELLANEOUS BUSINESS REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2019

S. No	Particulars	Schedule	For the Year ended 31st March, 2019 (₹ '000)	For the Year ended 31st March 2018 (₹ '000)
1	Premiums earned (Net)	1	10,912,035	6,796,746
2	Profit/ loss on sale/redemption of Investments		42,071	30,906
3	Others		-	-
4	Interest, dividend & rent - Gross		697,718	406,633
5	Contribution from the Shareholders' Account		1,794,832	-
	TOTAL (A)		13,446,657	7,234,285
1	Claims incurred (Net)	2	6,026,714	3,532,103
2	Commission	3	(314,193)	(413,167)
3	Operating expenses related to Insurance business	4	5,322,293	4,340,816
	TOTAL (B)		11,034,814	7,459,752
	Operating profit/(loss) from Miscellaneous business C= (A - B)		2,411,843	(225,467)
	APPROPRIATIONS			
	Transfer to Shareholders' account		2,411,843	(225,467)
	Transfer to catastrophe reserve		-	-
	Transfer to other reserves		-	-
	TOTAL (C)		2,411,843	(225,467)
	Significant Accounting Policies and Notes to Accounts	16		

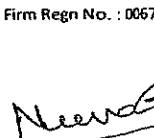
The schedules referred to above form an integral part of the Financial Statements.

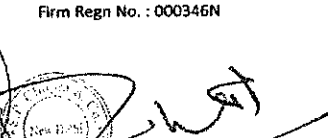
As per our report of even date attached

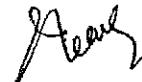
For T.R. Chadha & Co. LLP
Chartered Accountants
Firm Regn No. : 006711N/NS00028

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

For and on behalf of the Board of Directors


Neena Goel
Partner
Membership No. : 057986


Pawan K Gupta
Partner
Membership No. : 092529



Shamsher Singh Mehta
Director
(DIN : 02201929)


Anuj Gurati
Managing Director & CEO
(DIN : 00278955)


Daljit Singh
Director
(DIN : 00135414)


Pankaj Gupta
Chief Financial Officer

Place : Gurugram
Date : 26th April, 2019


Pratik Kapoor
Company Secretary

FORM B-PL
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2019

S. No	Particulars	Schedule	For the Year ended 31st March, 2019 (₹ '000)	For the Year ended 31st March 2018 (₹ '000)
1	OPERATING PROFIT/(LOSS)			
	(a) Fire Insurance		-	-
	(b) Marine Insurance		-	-
	(c) Miscellaneous Insurance		2,411,843	(225,467)
2	INCOME FROM INVESTMENTS			
	(a) Interest, Dividend & Rent – Gross		212,840	161,794
	(b) Profit on sale of investments		114	163
	Less: Loss on sale of investments		-	-
3	OTHER INCOME		9	-
	TOTAL (A)		2,624,806	(63,510)
4	PROVISIONS (Other than taxation)			
	(a) For diminution in the value of investments		-	-
	(b) For doubtful debts		97,907	-
	(c) Others		-	-
5	OTHER EXPENSES			
	(a) Expenses other than those related to Insurance Business		167,417	99,187
	(b) Bad debts written off		-	-
	(c) Foreign Exchange Loss/(Gain)		(4,525)	(179)
	(d) Contribution to the Policyholders' Fund *		1,794,832	-
	TOTAL (B)		2,055,630	99,008
	Profit / (Loss) Before Tax		569,176	(162,518)
	Provision for Taxation		3,422	-
	Less: Mat Credit Entitlement		(3,422)	-
	Profit / (Loss) After Tax		569,176	(162,518)
	APPROPRIATIONS			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or Other Accounts (to be specified)		-	-
	Balance of profit/ loss brought forward from last year/period		(3,181,295)	(3,018,778)
	Balance carried forward to Balance Sheet		(2,612,119)	(3,181,295)
	Significant Accounting Policies and Notes to Accounts	16		

* Expense in excess of the limit allowed as per regulation on expenses of management transferred to policyholder's account (Refer note 26)


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As per our report of even date attached

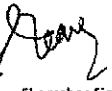
For T.R. Chadha & Co. LLP
Chartered Accountants
Firm Regn No. : 006711N/N500028

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


For and on behalf of the Board of Directors


Neena Goel
Partner
Membership No. : 057988

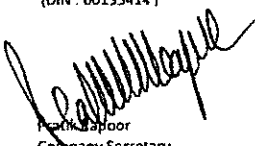

Pawan K Gupta
Partner
Membership No. : 092529


Shamsheer Singh Mehta
Director
(DIN : 02201929)


Anuj Gulati
Managing Director & CEO
(DIN : 00278955)


Dinesh Singh
Director
(DIN : 00135414)


Pankaj Gupta
Chief Financial Officer


Pankaj Kapoor
Company Secretary

Place : Gurugram
Date : 26th April, 2019

RECEIPT AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2019

Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March 2018
	(₹ '000)	(₹ '000)
Cash Flows from the Operating activities:		
Premium received from policyholders, including advance receipts	22,458,288	13,289,764
Other receipts	-	-
Payments to the re-insurers, net of commissions and claims	(1,338,006)	(136,171)
Payments to co-insurers, net of claims recovery	(369,520)	30,721
Payments of claims	(8,490,704)	(3,933,968)
Payments of commission and brokerage	(2,276,606)	(1,551,668)
Payments of other operating expenses	(5,663,236)	(4,355,231)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	(21,220)	(16,725)
Income taxes paid (Net)	134	0
Service tax / GST paid	(1,873,527)	(1,302,741)
Other payments	-	-
Cash flows before extraordinary items	2,425,602	2,023,981
Cash flow from extraordinary operations	-	-
Net cash flow from Operating activities	2,425,602	2,023,981
Cash flows from Investing activities:		
Purchase of fixed assets (including capital advances)	(249,494)	(166,210)
Proceeds from sale of fixed assets	452	69
Purchases of investments	(5,749,948)	(4,257,339)
Loans disbursed	-	-
Sales of investments	1,382,203	787,510
Repayments received	-	-
Rents/interests/ Dividends received	768,177	541,532
Investments in money market instruments and in liquid mutual funds (Net)	637,200	257,348
Expenses related to investments	-	-
Net cash flow from Investing activities	(3,211,410)	(2,837,091)
Cash flows from Financing activities:		
Proceeds from issuance of share capital	937,200	700,804
Proceeds from borrowing	-	-
Repayments of borrowing	-	-
Interest/dividends paid	-	-
Net cash flow from Financing activities	937,200	700,804
Effect of foreign exchange rates on cash and cash equivalents, net	4,525	179
Net increase in cash and cash equivalents:	155,918	(112,127)
Cash and cash equivalents at the beginning of the year	246,453	358,580
Cash and cash equivalents at the end of the year	402,372	246,453

As per our report of even date attached

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

Neena Goel
Partner
Membership No. : 057986

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

Pawan K. Gupta
Partner
Membership No. : 092529

For and on behalf of the Board of Directors

Shamsher Singh Mehta
Director
(DIN : 02201929)

Darshan Singh
Director
(DIN : 00135414)

Shakti Kapoor
Company Secretary

Anuj Gulati
Managing Director & CEO
(DIN : 00278955)

Pankaj Gupta
Chief Financial Officer

Place : Gurugram
Date : 26th April, 2019

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FORM B-85
BALANCE SHEET AS AT 31st MARCH, 2019

Particulars	Schedule	As at 31st March, 2019 (₹ '000)	As at 31st March, 2018 (₹ '000)
SOURCES OF FUNDS			
Share Capital	5	6,885,499	5,948,299
Reserves And Surplus	6	139,887	-
Fair Value Change Account		(16,550)	(6,497)
Borrowings	7	-	-
TOTAL		7,008,836	5,941,802
APPLICATION OF FUNDS			
Investments			
- Shareholders	8	2,784,361	2,591,337
- Policyholders	8A	10,232,217	6,687,859
Loans	9	-	-
Fixed Assets	10	564,068	459,137
CURRENT ASSETS			
Cash and Bank Balances	11	402,372	246,453
Advances and Other Assets	12	1,730,748	1,008,663
Sub-Total (A)		2,133,120	1,255,116
Current Liabilities	13	5,436,588	4,208,139
Provisions	14	5,880,460	4,024,804
Sub-Total (B)		11,317,048	8,232,942
Net Current Assets (C) = (A - B)		(9,183,928)	(6,977,826)
Miscellaneous Expenditure (To The Extent Not Written Off or Adjusted)	15	-	-
Debit Balance In Profit And Loss Account		2,612,119	3,181,295
TOTAL		7,008,836	5,941,802
Significant Accounting Policies and Notes to Accounts	16		
Contingent liabilities	16.1		

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

As per our report of even date attached

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

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

For and on behalf of the Board of Directors

Neena Goel
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Daljit Singh
Director
(DIN : 00135414)

Pankaj Gupta
Chief Financial Officer

Place : Gurugram
Date : 26th April, 2019

Pankaj Kapoor
Company Secretary

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1

PREMIUM EARNED (NET)

Particulars	For the Year ended 31st March, 2019				For the Year ended 31st March 2018			
	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)
Premium from direct business written *	16,112,234	1,442,486	701,025	18,255,745	9,317,507	1,036,730	561,889	10,916,125
Add: Premium on reinsurance accepted	176,996	-	-	176,996	191,680	-	-	191,680
Less : Premium on reinsurance ceded	5,318,752	258,499	197,943	5,775,194	2,546,237	233,395	109,458	2,889,090
Net Premium	10,970,478	1,183,987	503,082	12,657,548	6,962,951	803,335	452,430	8,218,715
Adjustment for changes in reserve for unexpired risks**	1,568,792	168,459	8,261	1,745,513	1,161,272	225,110	35,587	1,421,969
Total Premium Earned (Net)	9,401,687	1,015,528	494,821	10,912,035	5,801,679	578,225	416,843	6,796,746

* Net of Service tax / GST
 ** Refer note 30



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 2

CLAIMS INCURRED [NET]

Particulars	For the Year ended 31st March, 2019				For the Year ended 31st March 2018			
	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)
Claims paid								
Direct	7,634,582	122,012	151,684	7,908,278	4,025,338	93,296	109,915	4,228,549
Add: Re-insurance accepted	174,767	-	-	174,767	34,313	-	-	34,313
Less: Re-insurance Ceded	2,488,777	27,402	35,709	2,551,887	874,030	18,539	27,183	919,751
Net Claims Paid	5,320,572	94,610	115,975	5,531,158	3,185,621	74,757	82,733	3,343,110
Add: Claims Outstanding at the end of the year *	1,280,950	230,214	136,423	1,647,587	884,765	119,172	148,094	1,152,031
Less: Claims Outstanding at the beginning of the year*	884,765	119,172	148,094	1,152,031	788,342	94,397	80,300	963,038
Total Claims Incurred	5,716,758	205,653	104,304	6,026,714	3,282,044	99,532	150,527	3,532,103

*Net of Reinsurance



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 3

COMMISSION

Particulars	For the Year ended 31st March, 2019				For the Year ended 31st March 2018			
	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)
Commission paid								
Direct	1,795,564	210,711	72,711	2,078,986	1,182,001	152,834	94,332	1,429,167
Add: Re-insurance Accepted	21,443	-	-	21,443	51,027	-	-	51,027
Less: Commission on Re-insurance Ceded	2,142,717	146,867	125,039	2,414,622	1,682,120	143,953	67,288	1,893,361
Net Commission	(325,710)	63,844	(52,327)	(314,193)	(449,091)	8,881	27,043	(413,167)

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

Agents	885,305	27,435	42,454	955,194	493,497	19,448	69,258	582,204
Brokers*	530,317	26,337	23,624	580,277	391,042	16,973	23,981	431,996
Corporate Agency	378,943	156,940	6,632	542,515	297,462	116,412	1,092	414,967
Referral	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
TOTAL (B)	1,795,564	210,711	72,711	2,078,986	1,182,001	152,834	94,332	1,429,167

* Includes Web-Aggregator.



Religare Health Insurance Company Limited

IRDA Registration number 148 dated 26 April, 2012



Ab Health Hamesha

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

S. No	Particulars	For the Year ended 31st March, 2019				For the Year ended 31st March 2018			
		Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)	Health (₹ '000)	PA (₹ '000)	Other (₹ '000)	Total (₹ '000)
1	Employees' remuneration & welfare benefits	2,494,990	269,271	114,415	2,878,677	1,840,313	212,322	119,578	2,172,213
2	Travel, conveyance and vehicle running expenses	205,120	22,138	9,406	236,664	242,662	27,997	15,767	286,425
3	Training expenses	23,471	2,533	1,076	27,081	17,577	2,028	1,142	20,747
4	Rents, rates & taxes	85,952	9,276	3,942	99,170	80,172	9,250	5,209	94,631
5	Repairs	23,583	2,545	1,081	27,210	32,354	3,733	2,102	38,189
6	Printing & stationery	39,269	4,238	1,801	45,308	41,418	4,779	2,691	46,888
7	Communication	71,344	7,700	3,272	82,315	65,033	7,503	4,226	76,762
8	Legal & professional charges	674,473	72,792	30,930	778,195	444,154	51,243	28,860	524,257
9	Auditors' fees, expenses etc								
	(a) as auditor	2,539	274	116	2,930	2,029	234	132	2,395
	(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	738,122	79,662	33,849	851,633	669,508	77,243	43,502	790,254
11	Interest & bank charges	29,823	3,219	1,368	34,409	18,652	2,152	1,212	22,016
12	Others								
	(a) Electricity and Water	26,035	2,810	1,194	30,039	26,500	3,057	1,722	31,279
	(b) Medical Charges-Policy Issuance	7,035	-	-	7,035	17,877	-	-	17,877
	(d) Other	53,392	5,762	2,448	61,603	53,057	6,121	3,447	62,625
13	Depreciation	138,663	14,965	6,359	159,987	127,640	14,726	8,294	150,659
14	Service Tax /GST Account	34	4	2	39	1,354	156	88	1,598
	TOTAL	4,613,845	497,189	211,258	5,322,293	3,680,300	422,544	237,973	4,340,816



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, 2019	As at 31st March, 2018
		(₹ '000)	(₹ '000)
1	Authorised Capital		
	1,300,000,000 Equity Shares of ₹ 10 each (Previous Year 800,000,000 Equity Shares of ₹ 10 each)	13,000,000	8,000,000
2	Issued Capital		
	688,549,888 Equity Shares of ₹ 10 each (Previous Year 594,829,861 Equity Shares of Rs 10 each)	6,885,499	5,948,299
3	Subscribed Capital		
	688,549,888 Equity Shares of ₹ 10 each (Previous Year 594,829,861 Equity Shares of Rs 10 each)	6,885,499	5,948,299
4	Called-up Capital		
	688,549,888 Equity Shares of ₹ 10 each (Previous Year 594,829,861 Equity Shares of Rs 10 each)	6,885,499	5,948,299
	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	-	-
	TOTAL	6,885,499	5,948,299

Notes:

1 Out of the above, 617,392,749 (Previous Year 540,009,810 Equity Shares of ₹ 10 each are held by the holding company "Religare Enterprises Limited", along with its nominees.



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 5A

PATTERN OF SHAREHOLDING

[As certified by the Management]

Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
Indian	668,771,801	97.1%	591,388,862	99.4%
Foreign	-	0.0%	-	0.0%
Others	19,778,087	2.9%	3,440,999	0.6%
TOTAL	688,549,888	100.0%	594,829,861	100.0%

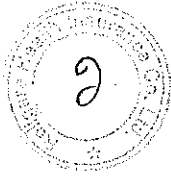


Religare Health Insurance Company Limited

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, 2019	As at 31st March, 2018
		(₹ '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:		
	- Employee Stock Option Reserve		
	- Opening Balance	-	-
	- Additions during the period	139,887	-
7	Balance of Profit in Profit & Loss Account	-	-
	TOTAL	139,887	-



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE - 7
 BORROWINGS**

S. No	Particulars	As at 31st March, 2019	As at 31st March, 2018
		(₹ '000)	(₹ '000)
1	Debentures/ Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	TOTAL	-	-



Religare Health Insurance Company Limited

IRDA Registration number 148 dated 26 April, 2012



Ab Health Hamesha

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 8

INVESTMENTS - SHAREHOLDERS

S. No	Particulars	Shareholders	
		As at 31st March, 2019 (₹ '000)	As at 31st March, 2018 (₹ '000)
	LONG TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	508,878	414,736
2	Other Approved Securities	220,848	187,810
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	18,681	28,375
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	348,314	397,081
	(e) Other Securities	-	-
	- Fixed Deposits	-	210,200
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	-
	- Infrastructure Bonds	659,816	612,531
	- Housing Bonds	201,064	451,203
5	Other than Approved Investments	50,000	50,000
	SHORT TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	-	50,001
2	Other Approved Securities	16,996	-
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	299,755	50,000
	(e) Other Securities	-	-
	- Fixed Deposits	210,200	139,400
	- Certificate of Deposit	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	-
	- Infrastructure Bonds	-	-
	- Housing Bonds	249,809	-
5	Other than Approved Investments	-	-
	TOTAL	2,784,361	2,591,337
	INVESTMENTS		
1	In India	2,784,361	2,591,337
2	Outside India	-	-
	TOTAL	2,784,361	2,591,337

Note:

Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs. 2,765,680 Thousands (Previous year Rs. 2,562,961 Thousands). Market value of such investments as at Mar 31, 2019 is Rs. 2,764,239 Thousands (Previous year Rs. 2,546,715 Thousands)



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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, 2019 (₹ '000)	As at 31st March, 2018 (₹ '000)
	LONG TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	2,460,615	1,562,117
2	Other Approved Securities	1,011,989	715,413
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	1,835,682	1,260,917
	(e) Other Securities	-	-
	- Fixed Deposits	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	-
	- Infrastructure Bonds	2,536,746	1,403,006
	- Housing Bonds	1,004,553	550,393
5	Other than Approved Investments	-	-
	SHORT TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	100,021	15,501
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	20,020	271,379
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	613,722	371,864
	(e) Other Securities	-	-
	- Fixed Deposits	-	246,800
	- Certificate of Deposit	249,810	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	-	-
	- Infrastructure Bonds	49,938	100,183
	- Housing Bonds	349,119	190,288
5	Other than Approved Investments	-	-
	TOTAL	10,232,217	6,687,859
	INVESTMENTS		
1	In India	10,232,217	6,687,859
2	Outside India	-	-
	TOTAL	10,232,217	6,687,859

Notes:

Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs. 10,232,217 Thousands (Previous year Rs. 6,687,859 Thousands). Market value of such investments as at Mar 31, 2019 is Rs. 10,386,507 Thousands (Previous year Rs. 6,734,299 Thousands)



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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 9

LOANS

S. No	Particulars	As at 31st March, 2019	As at 31st March, 2018
		(₹ '000)	(₹ '000)
1	SECURITY-WISE CLASSIFICATION		
	Secured		
	(a) On mortgage of property		
	(aa) In India		
	(bb) Outside India		
	(b) On Shares, Bonds, Govt. Securities		
	(c) Others		
	Unsecured		
	TOTAL	-	-
2	BORROWER-WISE CLASSIFICATION		
	(a) Central and State Governments		
	(b) Banks and Financial Institutions		
	(c) Subsidiaries		
	(d) Industrial Undertakings		
	(e) Others		
	TOTAL	-	-
3	PERFORMANCE-WISE CLASSIFICATION		
	(a) Loans classified as standard		
	(aa) In India		
	(bb) Outside India		
	(b) Non-performing loans less provisions		
	(aa) In India		
	(bb) Outside India		
	TOTAL	-	-
4	MATURITY-WISE CLASSIFICATION		
	(a) Short Term		
	(b) Long Term		
	TOTAL	-	-



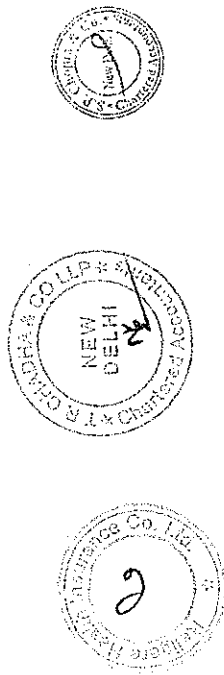
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 10
FIXED ASSETS (₹ '000)

Particulars	As at 1st April, 2018	Cost/ Gross Block		As at 31st March, 2019	Upto 1st April, 2018	Depreciation		Upto 31st March, 2019	Net Block	
		Additions	Deductions			For the period	On Sales / Adjustments		As at 31st March, 2019	As at 31st March, 2018
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles-Computer Software	724,570	113,685	-	838,265	379,393	106,389	-	485,782	352,482	345,177
Land-Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Property	20,957	0	226	20,731	8,766	1,613	-	10,101	10,631	12,191
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	8,434	1,586	205	9,816	7,527	1,833	202	9,157	658	907
Information Technology Equipment	201,200	115,644	2,490	314,354	170,652	39,444	2,399	157,698	156,656	80,548
Vehicles	7,388	(0)	-	7,388	6,505	770	-	7,276	113	883
Office Equipment	34,827	14,274	471	48,650	18,716	10,098	470	28,284	20,346	16,112
Others (Specify nature)	-	-	-	-	-	-	-	-	-	-
TOTAL - Current Year	997,377	245,200	3,392	1,239,184	541,559	159,988	3,249	698,298	540,887	455,819
Previous Year	823,456	178,439	2,519	997,377	393,213	150,659	2,314	541,559	455,819	3,319
Work in progress	3,319	23,181	3,319	23,181	-	-	-	-	23,181	-
Grand Total: Current Year	1,080,696	268,381	6,711	1,262,365	541,559	159,988	3,249	698,298	564,068	459,137
Previous Year	850,055	179,758	29,117	1,050,696	393,213	150,659	2,314	541,559	459,137	-

NOTE: 1) Lease hold property consists of civil and other improvements on 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 software, furniture and vehicles 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, 2019 (₹ '000)	As at 31st March, 2018 (₹ '000)
1	Cash (including cheques, drafts and stamps)	29,149	34,932
2	Bank Balances		
	(a) Deposit Accounts [^]		
	(aa) Short-term (due within 12months)	8,253	10,634
	(bb) Others	2,500	9,797
	(b) Current Accounts	362,470	191,090
	(c) Others		
3	Money at Call and Short Notice		
	(a) With Banks		
	(b) With other Institutions		
4	Others		
	TOTAL	402,372	246,453
	Balances with non-scheduled banks included in 2 and 3 above	NIL	NIL

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



Religare Health Insurance Company Limited

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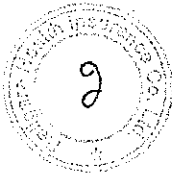
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 12

ADVANCES AND OTHER ASSETS

S. No	Particulars	As at 31st March, 2019	As at 31st March, 2018
		(₹ '000)	(₹ '000)
	ADVANCES		
1	Reserve deposits with ceding companies	-	-
2	Application money for investments	-	-
3	Prepayments	33,304	33,833
4	Advances to directors/officers	-	-
5	Advance tax paid and taxes deducted at source (Net of provision for taxation)	7,170	6,861
6	Others		
	(a) Advances to suppliers	10,768	7,438
	(b) Other Advances	3,190	4,149
	TOTAL (A)	54,431	52,282
	OTHER ASSETS		
1	Income accrued on investments *	520,420	355,431
2	Outstanding premiums	81,323	82,067
3	Agents balances	18,577	13,285
4	Foreign agencies balances	-	-
5	Due from other entities carrying on insurance business (including re-insurers)	709,313	115,386
6	Due from subsidiaries/holding companies	-	585
7	Deposit with RBI (Pursuant to section 7 of Insurance Act, 1938)	-	-
8	Others		
	(a) Rent Deposits & other assets	90,963	70,906
	(b) Service tax / GST unutilized credit	239,192	305,530
	(c) Unclaimed amount of Policy Holder (Investment)	16,528	13,190
	TOTAL (B)	1,676,317	956,381
	TOTAL (A+B)	1,730,748	1,008,663

* 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, 2019 (₹ '000)	As at 31st March, 2018 (₹ '000)
1	Agents' balances	210,676	151,694
2	Balance due to other insurance companies	215,302	145,783
3	Deposits held on re-insurance ceded	-	-
4	Premiums received in advance	775,318	539,497
5	Unallocated premium	318,943	296,293
6	Sundry creditors	1,588,408	1,448,992
7	Due to subsidiaries/holding company	3,527	4,387
8	Claims outstanding*	1,647,587	1,152,031
9	Due to officers/directors	-	-
10	Unclaimed amount of Policy Holder	19,485	14,408
11	Others	-	-
	(a) Tax deducted payable	150,931	48,668
	(b) Other statutory dues	14,881	11,051
	(c) Service Tax /GST Liability	486,332	386,159
	(d) Other Liabilities	5,197	9,176
	TOTAL	5,436,588	4,208,139

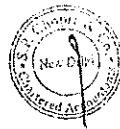
*Net of Reinsurance



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 14
 PROVISIONS

S. No	Particulars	As at 31st March, 2019 (₹ '000)	As at 31st March, 2018 (₹ '000)
1	Reserve for unexpired risk	5,703,487	3,957,975
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	78,500	66,262
	(b) Lease equalisation reserve	567	567
	(c) Provision for doubtful debts	97,907	-
	TOTAL	5,880,460	4,024,804



Religare Health Insurance Company Limited

IRDA Registration number 148 dated 26 April, 2012



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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, 2019 (₹ '000)	As at 31st March, 2018 (₹ '000)
1	Discount allowed in issue of shares/ debentures	-	-
2	Others	-	-
	TOTAL	-	-



Schedule 16

Significant Accounting Policies forming part of the financial statements for the year ended 31st March, 2019

1. Background

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

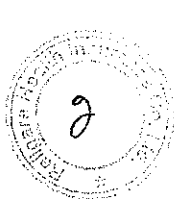
2. Basis of Preparation of Financial Statements

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

3. Use of estimates

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

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



Schedules forming part of financial statements

4. Significant Accounting Policies

4.1. Revenue recognition

Premium income

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

Income from reinsurance ceded

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

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

Income earned on investments

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

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

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

4.2. Premium received in advance

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

4.3. Unallocated Premium

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



Schedules forming part of financial statements

4.4. Reinsurance Premium

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

4.5. Premium Deficiency

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

4.6. Unearned Premium Reserve

Unearned Premium Reserve represents that part of the net written premium (i.e. premium, net of reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on contract period basis or risk period basis, whichever is appropriate, and is created at 50% of the net written premium of preceding twelve months as at the Balance Sheet date.

4.7. Claims

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

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

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

4.8. Acquisition costs

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

4.9. Investments

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

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

Classification

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

Valuation

Investments are valued as follows:

- **Debt securities and non – convertible preference shares**
All debt securities including government securities and non – convertible preference shares are considered as 'held to maturity' and accordingly stated at historical cost, subject to accretion of discount or amortization of premium over the holding/maturity period on a straight line basis.
- **Mutual funds**
Mutual fund investments are stated at fair value, being the closing net asset value at Balance Sheet date.
- **Listed Equities**
Listed equity shares as at the Balance Sheet date are stated at fair value being the quoted closing price on the Primary Exchange – 'National Stock Exchange ('NSE')'. In case the equity share is not listed / traded on the Primary Exchange the quoted closing price on the Secondary Exchange – 'Bombay Stock Exchange ('BSE')', is considered as fair value. Equity shares awaiting listing are stated at historical cost subject to provision for diminution, if any, in the value of such investment determined separately for each individual investment.
- Investments other than mentioned above are valued at cost.



Schedules forming part of financial statements

• **Fair Value Change Account**

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

Impairment of Investments

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

4.10. Fixed assets, Intangible and Impairments

Fixed assets and depreciation

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

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

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

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

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

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



Schedules forming part of financial statements

Intangible Assets

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

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

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

Impairment of assets

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

4.11. Operating Lease

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

4.12. Employee benefits

(i) **Defined Contribution Plan**

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

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

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees on retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. The Company makes annual contribution to the gratuity fund established as Trust. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation conducted by an independent actuary on projected unit credit method as at the Balance Sheet Date.



Schedules forming part of financial statements

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

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

4.13. Employee Stock Option Scheme("ESOS")

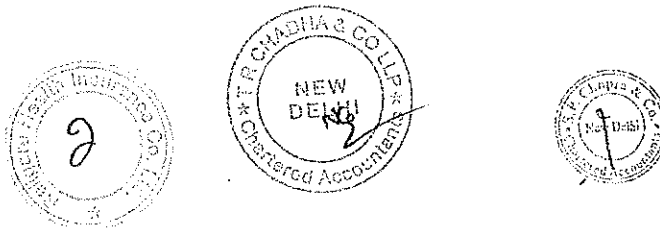
The company follows the intrinsic method for computing the compensation cost, for options granted under the scheme(s). The difference if any, between the intrinsic value and the grant price, being the compensation cost is recognized as deferred stock option expense and is charged to Revenue Account and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

4.14. Taxation

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

4.15. Earnings per share

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



Schedules forming part of financial statements

shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.16. Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. A disclosure for a contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

4.17. Cash and Cash Equivalents

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

4.17 Segment Reporting

4.18. Allocation of Income and Expenses

4.18.1. Allocation of Investment Income

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

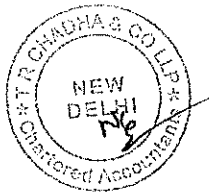
4.18.2. Allocation of Expenses

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

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

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

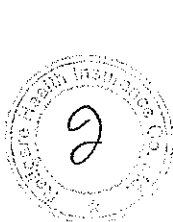
4.18 Service Tax / goods and service tax liability on insurance service is set-off against the service tax credits / input tax credits available from tax paid on input services. Unutilized credits, if any, are carried forward for set-off.



Schedules forming part of financial statements

NOTES FORMING PART OF ACCOUNTS

1	Contingent Liabilities			(₹ '000)
	Particulars	As at 31.03.2019	As at 31.03.2018	
	Partly paid up investments	-	-	
	Claims, other than against Policies, not acknowledged as debts by the Company	9,391	5,132	
	Underwriting commitments outstanding (in respect of shares and securities)	-	-	
	Guarantees given by or on behalf of the Company	9,421	11,035	
	Statutory demands / liabilities in dispute, not provided for	-	-	
	Reinsurance obligations to the extent not provided for in accounts	-	-	
	Others - Against the cases filed by the ex landlord	65	38	
2	Basis used by the Actuary for determining provision required for IBNR / IBNER			
	'Claims Incurred But Not Reported' (IBNR) and Claims Incurred But Not Enough Reported (IBNER) as at March 31, 2019 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 ₹ 9,421 thousands (previous year ₹ 11,035 thousand) These 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 31.03.2019	As at 31.03.2018	
	Loans	-	-	
	Investments	-	-	
	Fixed Assets (Net of advances)	13,660	3,781	
5	Claims less Reinsurance paid to Claimants*			(₹ '000)
	Particulars	As at 31.03.2019	As at 31.03.2018	
	In India	5,268,683	3,239,832	
	Outside India	87,707	68,965	
	* Excluding Claims paid on Reinsurance accepted			
6	Age-wise Breakup of Gross Claims Outstanding*			(₹ '000)
	Particulars	As at 31.03.2019	As at 31.03.2018	
	Outstanding for more than six months	174,610	177,348	
	Others	1,591,594	701,431	
		1,766,204	878,779	
	*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	For the Year ended	For the Year ended
		31.03.2019	31.03.2018	31.03.2018
	Miscellaneous	12,657,548	8,218,715	-
	(b) No premium income is recognized on "Varying Risk Pattern" basis.			



Schedules forming part of financial statements

Class of Business	Risk Retained		Risk Reinsured	
	For the Year ended 31.03.2019	For the Year ended 31.03.2018	For the Year ended 31.03.2019	For the Year ended 31.03.2018
	69%	74%	31%	26%
Miscellaneous				

Particulars	As at 31.03.2019		As at 31.03.2018	
	Purchase where deliveries are pending	-	-	-
Sales where payments are overdue	-	-	-	-

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

12 The Company does not have any investment property as at March 31, 2019 or March 31, 2018.

13 Historical cost of investments which are valued at Fair Value

Particulars	March 31, 2019		March 31, 2018	
	Reported / fair value	Historical Cost	Reported / fair value	Historical Cost
	Mutual Funds	20,020	20,000	271,379
Equity Shares	18,681	35,252	28,376	35,252

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

Particulars	Total Amount	Age-wise Analysis (in months)					
		4-12 Mts	13-18 Mts	19-24 Mts	25-30 Mts	31-36 Mts	Beyond 36 Mts
Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the insured /policyholders	-	-	-	-	-	-	-
Sum due to the Insured /policyholders on maturity or otherwise	-	-	-	-	-	-	-
Excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	24,416	24,280	113	4	-	8	11
Cheques issued but not encashed by the policyholder/insured *	151,759	60,186	24,890	11,010	13,532	14,780	27,361

* Fair Value of Investments against unclaimed amount is ₹ 16,528 Thousands.

Details of Unclaimed amounts and investment income thereon

Particulars	₹ Lakhs
Opening Balance	144.08
Add: Amount Transferred to unclaimed amount	88.89
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders	7.58
Add: Investment income	14.38
Less: Amount paid during the year	60.08
Closing Balance of Unclaimed Amount	194.85

15 Segment Information

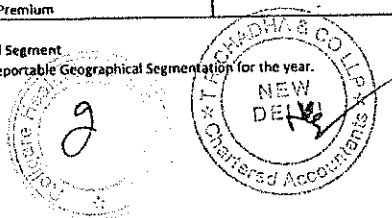
a) Business Segments

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

Segment	Health		Personal Accident		Others	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	Health Segment					
Segmental Revenue	16,289,230	9,509,187	1,442,486	1,036,730	701,025	561,889
Segmental Result	39,171	(387,629)	323,755	84,814	254,085	17,348
Segmental Liabilities						
Claims Outstanding (Net)	1,280,950	884,765	230,214	119,172	136,423	148,094
Unexpired risk reserve (Net)	5,052,071	3,483,279	570,335	401,676	81,081	72,819
Premium received in advance	711,055	463,695	37,519	47,588	26,744	28,215
Segment Assets						
Outstanding Premium		82,067				

b) Geographical Segment

There is no reportable Geographical Segmentation for the year.



Schedules forming part of financial statements

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

Particulars	(₹ '000)	
	As at 31.03.2019	As at 31.03.2018
Salaries & Allowances	28,506	25,585
Contribution to Provident and other funds	1,438	1,307
Perquisites	-	10
Total **	29,944	26,902

**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 ₹ 14,944 thousand (Previous year ₹ 11,902 thousand) is charged to Profit and Loss Account

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

During the year a provision of ₹ 29,956 (thousand) towards bonus for managerial personnel has been created. The same is payable subject to approval by shareholders and Insurance Regulatory and Development Authority. The Provision has been charged to Profit and Loss account

During the year bonus of ₹ 54,376 thousand has been paid to Mr. Anuj Gulati, the Managing Director and Chief Executive Officer of the Company. The said bonus has been paid out of previous year provisions.

Perquisites are calculated as per Income Tax Rules, 1962.

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

18 Expenditure in Foreign Currency (On accrual basis) (₹ '000)

Particulars	(₹ '000)	
	Year ended 31.03.19	Year ended 31.03.18
Travelling	1,993	1,712
Remuneration	-	-
Software License Fees	11,117	6,374
Purchase of Fixed Assets	-	-
Professional fees	25,350	23,481
Others	238,270	154,860
Total	276,730	186,428

19 Operating Lease Commitments

The Company has taken on lease office premises. Lease payments on cancellable and non cancellable lease of Rs. 126,346 thousand (previous year 102,508 thousand) are charged to Revenue Account and Profit and Loss Account. The future minimum lease payments in respect of non cancellable as at the balance sheet date are as under:

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

Particulars	(₹ '000)	
	Year ended 31.03.19	Year ended 31.03.18
Payable not later than one year	39,854	31,105
Payable later than one year but not later than five years	31,074	4,560
Payable later than five years	-	-
Total	70,927	35,665

20 Foreign Currency Exposures

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

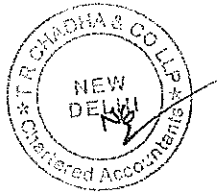
Particulars	(₹ '000)	
	Year ended 31.03.19	Year ended 31.03.18
Payable in Indian Rupee	88,030	95,202
Payable in USD	-	-



Schedules forming part of financial statements

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

S.No	Nature of Relationship	Name of party
1	Holding Company	Religare Enterprises Limited
2	Subsidiaries of immediate Holding Companies	Religare Finvest Limited
		Religare Capital Markets Limited
		Religare Broking Limited
		Religare Insurance Limited
		Religare Global Asset Management Inc.
		Religare Credit Advisor Private Limited (formerly Religare Credit Advisors LLP)
		Religare Comtrade Limited
3	Subsidiaries of fellow Subsidiaries	Religare Housing Development Finance Corporation Limited
		Religare Commodities Limited
		Religare Capital Markets International (Mauritius) Limited
		Religare Capital Markets International (UK) Limited
		Religare Capital Markets (Europe) Limited
		Religare Capital Markets (UK) Limited
		Religare Capital Markets Corporate Finance Pte Limited
		Religare Capital Markets Inc.
		Religare Capital Markets (Hong kong) Ltd.
		Tobler (UK) Limited
		Kyco Management Limited
		Religare Capital Markets (Singapore) Pte Limited
		Bartleet Religare Securities (Private) Limited
		Bartleet Asset Management (Private) Limited
		Strategic Research Limited
		Bartleet Wealth Management (Private) Limited
		(formerly Religare Bartleet Capital Markets (Private) Limited)
Religare Advisors Limited (Formerly known as Religare Wealth Management Limited)		
Religare Business Solutions Limited		
4	Individuals owning, directly or indirectly, interest in the voting power that gives them control	Nil
5	Key management personnel	Mr. Anuj Gulati
6	Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence	Nil



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, 2019 / For the year ended 31st March, 2019	As at 31st March, 2018 / For the year ended 31st March, 2018
1	Religare Enterprises Limited	Holding Company	Allocation of Equity Shares	498,593	674,756
			Expense Reimbursement to Religare Enterprises Limited	31,995	34,999
			Receipt of Premium	399	498
			Payable	3,583	4,092
			Premium Received in Advance / Cash Deposit	1	237
			Security Deposit Paid	-	200
2	Religare Finvest Limited	Fellow Subsidiary	Expense Reimbursement to Religare Finvest Limited	72	80
			Receipt of Premium	6,100	6,405
			Commission Expenses	1,779	2,338
			Commission Receivable/ (Payable)	(35)	29
			Receivable	-	117
			Premium Received in Advance / Cash Deposit	22	67
3	Religare Broking Limited	Fellow Subsidiary	Expense Reimbursement to Religare Broking Limited	211	2,047
			Expense Reimbursement by Religare Broking Limited	-	24
			Payables	-	172
			Commission Payable	2,510	1,860
			Receivable	57	426
			Commission Expenses	7,523	8,958
			Premium Received in Advance / Cash Deposit	377	68
			Receipt of Premium	9,756	3,464
4	Religare Capital Markets Limited	Fellow Subsidiary	Receipt of Premium	55	82
			Premium Received in Advance / Cash Deposit	-	291
5	Religare Commodities Limited	Subsidiary of Fellow Subsidiary	Expense Reimbursement to Religare Commodities Limited	114	-
			Receipt of Premium	1,066	450
			Premium Received in Advance / Cash Deposit	21	37
6	Religare Housing Development Finance Corporation Limited	Subsidiary of Fellow Subsidiary	Receipt of Premium	2,914	1,229
			Premium Received in Advance / Cash Deposit	86	5
			Other Payable	1	57
			Reimbursement of Expenses to Other Companies	-	35
7	Religare Comrade United	Subsidiary of Fellow Subsidiary	Receipt of Premium	1	-
			Refund of Premium	-	3
			Premium Received in Advance / Cash Deposit	-	1
8	Religare Credit Advisor Private Limited (formerly Religare Credit Advisors LLP)	Subsidiary of Fellow Subsidiary	Premium Received in Advance / Cash Deposit	6	27
			Other Receivables	-	4
9	Religare Advisors Limited (formerly known as Religare Wealth Management Limited)	Subsidiary of Fellow Subsidiary	Receipt of Premium	49	-
			Premium Received in Advance / Cash Deposit	-	49
			Commission Payable	0	0
11	Mr. Anuj Gulati *	Key Management Personnel	Remuneration	84,311	47,515
			Premium Received in Advance / Cash Deposit	29	-
			Receipt of Premium	41	11

* The above disclosure does not include equity shares allotted/issued as per ESOP scheme/right issue during the period to the KMP's (138 Lakh shares during the year ended March 2019)



Schedules forming part of financial statements

23 Employee Benefits

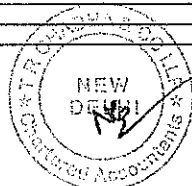
A. Gratuity and Leave Encashment

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

(₹ '000)

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

	Leave Encashment		Gratuity	
	2018-19	2017-18	2018-19	2017-18
I Assumptions				
Mortality	Indian Assured Lives Mortality (2006-08) Ult*	Indian Assured Lives Mortality (2006-08) Ult*	Indian Assured Lives Mortality (2006-08) Ult*	Indian Assured Lives Mortality (2006-08) Ult*
Discount Rate	6.60%	6.70%	6.60%	6.70%
Rate of increase in compensation	6.00%	6.00%	6.00%	6.00%
Rate of return(expected) on plan assets	NA	NA	6.60%	6.70%
Withdrawal rates	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & +	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & +	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & +	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & +
Expected average remaining working lives of employees	10%	10%	10%	10%
	2.03	2.01	2.03	2.01
II Changes in present value of obligations				
DBO at beginning of year	49,029	34,215	54,781	36,067
Interest Cost	2,365	1,568	3,481	2,203
Current Service Cost	19,625	13,432	11,720	7,852
Benefits Paid	27,460	18,239	5,639	1,638
Actuarial gain/(loss) on obligation	(8,465)	(18,053)	(16,790)	(10,298)
DBO at end of year	52,024	49,029	81,133	54,781
III Changes in fair value of plan assets				
Fair Value of Plan Assets at beginning of year			37,548	21,098
Expected Return of Plan Assets			2,904	1,735
Contributions made	N.A	N.A	17,233	14,969
Benefits paid			5,639	1,638
Actuarial gain / (loss) on plan assets			2,611	1,385
Fair Value of Plan Assets at end of year			54,658	37,548
IV Fair Value of Plan Assets				
Fair Value of Plan Assets at beginning of year	-	-	37,548	21,098
Actual Return of plan assets	-	-	5,515	3,120
Contributions made	-	-	17,233	14,969
Benefit paid	-	-	5,639	1,638
Fair Value of Plan Assets at end of year	-	-	54,658	37,548
V Actuarial Gain/(loss) Recognised				
Actuarial Gain/(loss) for the year (Obligation)	(8,465)	(18,053)	(16,790)	(10,298)
Actuarial Gain/(loss) for the year (Plan Assets)	N.A	N.A	2,611	1,385
Total Gain/(Loss) for the year	(8,465)	(18,053)	(14,178)	(8,913)
Actuarial Gain/(loss) Recognised for the year	(8,465)	(18,053)	(14,178)	(8,913)
Unrecognised Actuarial Gain / (Loss) at the end of year	NIL	NIL	NIL	NIL
VI Amounts to be recognised in the balance sheet				
DBO at the end of year	52,024	49,029	81,133	54,781
Fair Value of Plan Assets at end of year	N.A	N.A	54,658	37,548
Funded Status deficit/(surplus)	52,024	49,029	26,475	17,233
Unrecognised Actuarial Gain / (Loss)	NIL	NIL	NIL	NIL
Net (Asset)/Liability recognised in the balance sheet	52,024	49,029	26,475	17,233
VII Expense Recognised				
Current Service Cost	19,625	13,432	11,720	7,852
Interest Cost	2,365	1,568	3,481	2,203
Expected Return on Plan Assets	N.A	N.A	(2,904)	(1,735)
Net Actuarial Loss / (Gain) recognised for the year	8,465	18,053	14,178	8,913
Expense recognised in the statement of P&L A/c	30,455	33,053	26,475	17,233
VIII Movements in the liability recognised in Balance Sheet				
Opening Net Liability	49,029	34,215	17,233	14,969
Expenses as above	30,455	33,053	26,475	17,233
Benefits paid/Contribution made	27,460	18,239	17,233	14,969
Closing Net Liability	52,024	49,029	26,475	17,233
IX Current liability				
Non current liability	25,048	24,525	26,475	17,233
Closing Net Liability	26,976	24,505	-	-
	52,024	49,029	26,475	17,233



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Schedules forming part of financial statements

Employee's Benefits – Gratuity Experience Adjustment						(₹ '000)
	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	
Benefit obligation	12,708	20,145	36,067	54,781	81,133	
Fair Value of Plan Assets	10,613	10,806	21,098	37,548	54,658	
Funded Status Deficit / (Surplus)	2,095	9,340	14,969	17,233	26,475	
Experience Adjustment on plan liabilities (loss)	(1,681)	(4,444)	(10,370)	(10,901)	(16,593)	
% of plan liabilities	-13.23%	-22.06%	-28.75%	-19.90%	-20.45%	
Experience Adjustment on plan Assets (loss)	1,712	(1,514)	1,074	1,385	2,611	
% of plan Assets	16.13%	-14.01%	5.09%	3.69%	4.78%	
Actuarial Gain / Loss due to change in Assumptions	(249)	(374)	(710)	604	(196)	

Employee's Benefits – Leave Encashment Experience Adjustment						(₹ '000)
	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	
Benefit obligation	18,553	26,358	34,215	49,029	52,024	
Fair Value of Plan Assets	-	-	-	-	-	
Funded Status Deficit / (Surplus)	18,553	26,358	34,215	49,029	52,024	
Experience Adjustment on plan liabilities (loss)	(1,821)	(9,268)	(9,179)	(18,481)	(8,361)	
% of plan liabilities	-9.82%	-35.16%	-26.83%	-37.59%	-16.07%	
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	(250)	(348)	(547)	428	(104)	

B Defined Contribution Plan

The Company's employees are covered by Statutory Provident Fund, Employee State Insurance and Employee Labour Welfare Fund to which the Company makes a defined contribution measured as fixed percentage of Salary. During the year amount of ₹ 146,264 thousands (Previous Year ₹ 112,802 thousands) has been charged to Revenue or Profit and Loss Account towards contribution to above schemes/benefits.

		(₹ '000)	
		As at 31.03.2019	As at 31.03.2018
24	Deferred Tax		
	Deferred tax assets		
	Expenditure covered by section 43B of Income-tax Act, 1961	156,513	168,034
	Provision for doubtful trade receivables	34,212	-
	Carried forward unabsorbed depreciation and business loss	816,409	910,218
	Total Deferred tax assets (A)	1,007,135	1,078,252
	Deferred tax liabilities		
	Excess of depreciation/amortization of fixed assets under income-tax law over depreciation/amortization provided in accounts	(68,306)	(69,681)
	Total Deferred tax liability (B)	(68,306)	(69,681)
	Net Deferred tax asset (liability) = (A-B)	938,829	1,008,571
	Net Deferred tax asset recognized in books of accounts*	-	-

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

25 Earnings Per Share

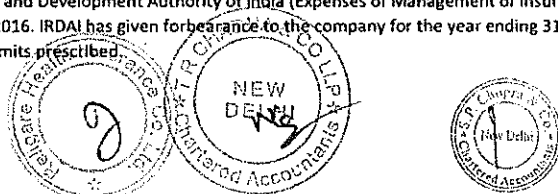
Basic earnings per equity share have been computed by dividing net profit (loss) after tax by the weighted average number of equity shares outstanding for the year.

	Particulars	Units	Year ended 31.03.19	Year ended 31.03.18
a	Net profit/(loss) after tax	₹ In '000s	569,176	(162,518)
b	Weighted average of number of equity shares used in computing basic earnings per share	No. of Shares in '000s	652,387	533,901
c	Basic earnings per share (a/b)	₹	0.87	(0.30)
d	Weighted average of number of potential equity shares	No. of Shares in '000s	10,687	19,546
e	Diluted earnings per share [a/(b+d)]		0.86	(0.29)

*For the purpose of calculating weighted average number of potential equity shares, valuation report as on 28th February 2019 has been

26 Expenses of Management

The company has charged expenses of ₹ 1,794,832 thousands to Profit and Loss account, being amount in excess of limits prescribed in Schedule I of Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016. IRDA has given forbearance to the company for the year ending 31st March 2019 towards expenses of management which are in excess of limits prescribed.



Schedules forming part of financial statements

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

Business Sector Year ended 31.03.2018	Year ended 31.03.19					
	GDP (₹ '000s)	No. of Lives	No. of Policies	% of GWP	% of No. of Lives	% of No. of policies
Rural	1,482,334	739,418	85,202	8.12%	5.57%	10.17%
Social	107,020	2,146,416	282	0.59%	16.18%	0.03%
Total	18,255,745	13,266,584	838,045	100.00%	100.00%	100.00%

Business Sector Year ended 31.03.2017	Year ended 31.03.18					
	GDP (₹ '000s)	No. of Lives	No. of Policies	% of GWP	% of No. of Lives	% of No. of policies
Rural	991,302	868,108	60,230	9.08%	23.68%	9.11%
Social	55,113	521,818	99	0.50%	14.23%	0.01%
Total	10,916,125	3,666,458	661,175	100.00%	100.00%	100.00%

- 28 Disclosure of Fire and Marine Revenue accounts:
As the Company operates in single insurance business class viz. Health Insurance Business, the reporting requirements as prescribed by IRDA with respect to presentation of Fire and Marine Insurance revenue accounts are not applicable.
- 29 Premium Deficiency Reserve
The Appointed Actuary has reviewed the expected claims ratio including claims related expense. As the expected claims ratio are well within 100%, no premium deficiency reserve has been created.
- 30 Unearned Premium Reserve
Unearned Premium Reserve (UPR) as per the option granted by IRDAI is being created at 50% of the net written premium of the preceding 12 months since 2017. The Company based on the Industry trend, experience gained and based on expert opinion, on the policies where the premium is earned fully during the accounting period (on expired policies), no UPR is created. This has resulted in decrease in the UPR by Rs. 450,021 thousands.
- 31 Actuarial valuation of claims where claims period exceeds four years
Currently the Company has not underwritten any policy, where the claim payment term exceeds 4 years. Hence, no actuarial valuation is required.
- 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, 2019. 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
Authorized share capital of the company as on 31st March 2019 is ₹ 1,300 crores. The Company has allotted ₹ 93.72 crores worth of equity shares during the year.
- 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	Goods and 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	2018-19	2017-18	2016-17	2015-16	2014-15
OPERATING RESULTS						
1	Gross Premium Written	184,327	111,078	72,607	50,332	27,580
2	Net Earned Premium Income	109,120	67,967	48,400	28,773	15,372
3	Income from Investments (net)	7,398	4,375	3,317	2,471	1,266
4	Other Income	-	-	-	-	-
5	Total Income	116,518	72,343	51,717	31,244	16,638
6	Commission (Net) - Including Brokerage	(3,142)	(4,132)	(4,303)	(2,458)	1,990
7	Operating Expenses	53,223	43,408	32,094	25,705	15,721
8	Net Incurred Claims	60,267	35,321	24,451	16,472	9,397
9	Change in Unexpired Risk Reserve	17,455	14,220	4,320	7,195	7,533
10	Operating Profit/Loss *	6,170	(2,255)	(525)	(8,475)	(10,469)
NON-OPERATING RESULTS						
11	Total Income under Shareholders Account	501	1,229	740	591	543
12	Profit/(loss) before tax	5,692	(1,625)	215	(7,884)	(9,925)
13	Provision for Tax (Net of Mat Credit)	-	-	-	-	1
14	Profit/(Loss) after tax	5,692	(1,625)	215	(7,884)	(9,926)
Miscellaneous						
15	Policyholder's Account:					
	a) Total funds	102,322	66,879	42,711	31,624	20,980
	b) Total Investments					
	c) Yield on Investments	8.3%	8.1%	9.2%	9.4%	9.2%
16	Shareholder's Account:					
	a) Total funds	27,844	25,913	17,969	13,706	9,516
	b) Total Investments					
	c) Yield on Investments	7.8%	8.0%	8.0%	7.7%	8.8%
17	Paid Up Equity Capital	68,855	59,483	52,475	47,507	35,000
18	Net Worth **	43,967	27,605	22,287	17,104	12,481
19	Total Assets(Net)	157,138	109,934	74,940	57,389	39,952
20	Yield on total investments	8.1%	8.2%	8.8%	8.9%	9.1%
21	Earning Per Share (₹)	0.87	(0.30)	0.04	(2.00)	(3.45)
22	Book value per Share (₹)	6.39	4.64	4.25	3.60	3.57
23	Total Dividend	-	-	-	-	-
24	Dividend Per share	-	-	-	-	-

* Does not include amounts transferred from shareholder's account

** Including Fair Value Change Account



Schedules forming part of financial statements

36 Employee Stock Option Plan issued by the Company

Employee Stock Option Scheme 2010

Series	Date of grant	Number Granted	Contractual Life	Vesting Conditions	Exercise Price per option	Estimated fair value of share granted
Series-I	29-Dec-10	1,816,250	4 yrs	20% on expiry of 12 months from grant date 20% on expiry of 24 months from grant date 20% on expiry of 36 months from grant date 40% on expiry of 48 months from grant date	10	10
Series-II	14-Mar-11	12,346,750	4 yrs			
Series-III	5-Aug-11	1,300,000	4 yrs			

Employee Stock Option Scheme 2014

Series	Date of grant	Number Granted	Contractual Life	Vesting Conditions	Exercise Price per option	Estimated fair value of share granted
Series-I	28-Jul-14	9,575,000	3 yrs			
Series-II	27-Apr-15	7,780,000	3 yrs			
Series-III	4-Jul-15	1,983,500	3 yrs			
Series-IV	30-Sep-15	3,111,500	3 yrs			
Series-V	30-Nov-15	2,892,500	3 yrs			
Series-VI	2-Feb-16	2,224,080	3 yrs	33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date	10	10
Series-VII	30-Mar-16	1,438,150	3 yrs			
Series-VIII	30-Jun-16	1,643,200	3 yrs			
Series-IX	3-Mar-17	635,500	3 yrs			
Series-X	31-Mar-17	651,150	3 yrs			
Series-XI	31-Jul-18	4,051,207	1 yr	100% on expiry of 12 months from grant date		
Series-I - New	6-Nov-18	18,658,286	3 yrs	33% on expiry of 12 months from grant date	21.85	21.85
Series-II - New	6-Nov-18	12,261,155	3 yrs	33% on expiry of 24 months from grant date	10	21.85
Series-III - New	7-Feb-19	243,160	3 yrs	34% on expiry of 36 months from grant date	10	26.1

CEO Scheme 2014

Series	Date of grant	Number Granted	Contractual Life	Vesting Conditions	Exercise Price per option	Estimated fair value of share granted
Category-1 (In lieu of surrender of Options granted under 2010 Scheme)	28-Jul-14	2,000,000	1 yr	100% on expiry of 12 months from grant date		
Category-1 (New Grant)	28-Jul-14	3,286,714	3 yrs	33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	28-Jul-14	3,331,250	1 yr	100% on expiry of 12 months from grant date		
Category-3	28-Jul-14	7,500,000		31-Mar-16		
Category-1 (New Grant)	27-Apr-15	1,214,284		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	27-Apr-15	666,750		100% on expiry of 12 months from grant date		
Category-3	27-Apr-15	4,900,000		April 27, 2016		
Category-1 (New Grant)	4-Jul-15	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	4-Jul-15	-		100% on expiry of 12 months from grant date		
Category-3	4-Jul-15	857,143		July 4, 2016		
Category-1 (New Grant)	30-Sep-15	428,571		33% on expiry of 12 months from grant date		
Category-2	30-Sep-15	-		100% on expiry of 12 months from grant date		
Category-3	30-Sep-15	857,143		September 30, 2016		
Category-1 (New Grant)	30-Nov-15	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	30-Nov-15	-		100% on expiry of 12 months from grant date		
Category-3	30-Nov-15	857,143		November 30, 2016	10	10
Category-1 (New Grant)	2-Feb-16	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	2-Feb-16	-		100% on expiry of 12 months from grant date		
Category-3	2-Feb-16	857,143		February 2, 2017		
Category-1 (New Grant)	30-Mar-16	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	30-Mar-16	714,285		100% on expiry of 12 months from grant date		
Category-3	30-Mar-16	857,143		March 30, 2017		
Category-1 (New Grant)	30-Jun-16	407,143		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	30-Jun-16	-		100% on expiry of 12 months from grant date		
Category-3	30-Jun-16	814,286		June 30, 2017		
Category-1 (New Grant)	3-Mar-17	162,227		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	3-Mar-17	-		100% on expiry of 12 months from grant date		
Category-3	3-Mar-17	324,453		March 30, 2018		
Category-1 (New Grant)	31-Mar-17	245,145		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	31-Mar-17	271,579		100% on expiry of 12 months from grant date		
Category-3	31-Mar-17	490,291		March 31, 2018		
Category-1 (New Grant)	31-Jul-18	471,130		100% on expiry of 12 months from grant date		
Category-2	31-Jul-18	157,043		100% on expiry of 12 months from grant date		
Category-3	31-Jul-18	82,258		July 31, 2019		
Series-I - New	6-Nov-18	13,212,900	3 yrs	33% on expiry of 12 months from grant date	21.85	21.85
Series-II - New	6-Nov-18	15,561,816	1 yr	33% on expiry of 24 months from grant date	10	21.85
Series-III - New	7-Feb-19	224,461		34% on expiry of 36 months from grant date	10	26.1

Note: During the year, valuation has been taken at comparable company method



Schedules forming part of financial statements

Scheme	Number of Options Outstanding as on April 1st, 2018	Issued During the year	Cancellation of Options due to resignations / surrender 2018-19	Options Exercised 2018-19	Number of Options outstanding as on March 31st, 2019	Exercisable as at March 31st, 2019
ESOP Scheme 2010						
- Series-I	1,038,750	-	225,000	813,750	-	-
- Series-II	7,336,250	-	1,275,000	6,061,250	-	-
- Series-III	1,300,000	-	-	1,300,000	-	-
ESOP Scheme 2014						
- Series-I	7,577,000	-	1,000,000	6,377,000	200,000	200,000
- Series-II	3,625,000	-	165,000	3,210,000	250,000	250,000
- Series-III	1,294,050	-	28,050	1,223,500	42,500	42,500
- Series-IV	2,372,050	-	42,500	2,287,050	42,500	42,500
- Series-V	2,243,140	-	36,500	2,170,140	36,500	36,500
- Series-VI	1,633,949	-	29,212	1,561,137	43,600	43,600
- Series-VII	1,427,600	-	-	1,427,600	-	-
- Series-VIII	1,843,200	-	-	1,843,200	-	-
- Series-IX	633,600	-	-	633,600	-	-
- Series-X	861,120	-	-	861,120	-	-
- Series-XI	-	4,061,707	-	-	4,061,707	-
- Series-I - New	-	28,868,288	-	-	28,868,288	-
- Series-II - New	-	17,361,155	-	-	17,361,155	-
- Series-III - New	-	243,160	-	-	243,160	-
CEO Scheme 2014						
- Series-I	13,116,964	-	-	13,116,964	-	-
- Series-II	6,883,036	-	-	107,936	6,775,100	6,775,100
- Series-III	1,285,714	-	-	-	1,285,714	1,285,714
- Series-IV	1,285,714	-	-	-	1,285,714	1,285,714
- Series-V	1,285,714	-	-	-	1,285,714	1,285,714
- Series-VI	1,285,714	-	-	-	1,285,714	1,285,714
- Series-VII	1,999,999	-	-	-	1,999,999	1,999,999
- Series-VIII	1,221,429	-	-	-	1,221,429	1,221,429
- Series-IX	486,890	-	-	-	486,890	486,890
- Series-X	1,006,965	-	-	-	1,006,965	1,006,965
- Series-XI	-	1,570,432	-	-	1,570,432	-
- Series-I - New	-	13,224,900	-	-	13,224,900	-
- Series-II - New	-	15,561,816	-	-	15,561,816	-
- Series-III - New	-	224,463	-	-	224,463	-
Total	63,043,848.00	81,115,921	2,801,262	42,994,247	98,364,260	17,248,339

The weighted average remaining contractual life of options outstanding at the 31st March 2019 is 2.4 years

Key Assumptions used to estimate the fair market value of options granted during the financial year 2018-19 are as below:

Comparable company multiples and Comparable transaction multiples methodology have been used for computing the fair value of equity shares of the company for the purpose of computing compensation cost of ESOP's.



Schedules forming part of financial statements

37 Accounting Ratios prescribed by the IRDA

Performance Ratios	2018-19 (In Times / %)	2017-18 (In Times / %)
Gross Premium Growth Rate - Health	73%	46%
Gross Premium Growth Rate - PA	39%	91%
Gross Premium Growth Rate - Others	25%	62%
Gross Premium Growth Rate - Total	67%	50%
Gross Direct Premium to Net Worth	4.15	3.95
Growth Rate of Net Worth	59%	24%
Net Retention Ratio - Health	67%	73%
Net Retention Ratio - PA	82%	77%
Net Retention Ratio - Others	72%	81%
Net Retention ratio - Total	69%	74%
Net Commission ratio - Health	-3%	-6%
Net Commission ratio - PA	5%	1%
Net Commission ratio - Others	-10%	6%
Net Commission Ratio - Total	-2%	-5%
Expenses of Management to Gross Direct Premium	41%	53%
Expenses of Management to Net Written Premium	58%	71%
Net Incurred claims to Net Earned Premium	55%	52%
Combined Ratio	95%	100%
Technical Reserves to Net Premium Ratio	0.58	0.62
Underwriting Balance Ratios	0.15	(0.11)
Operating Profit Ratio	22%	-4%
Liquid Assets to Liability Ratio	0.35	0.33
Net Earning Ratio	4%	-2%
Return on Net Worth	13%	-6%
Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	1.56	1.56
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 2019	For the Year Ended 31st March 2018
Statutory Audit Fees	2,200.00	2,000.00
Tax Audit	100.00	100.00
Out of Pocket Expenses	66.90	56.70
Certification	630.00	295.00
Total	2,996.90	2,451.70



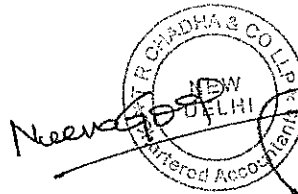
Schedules forming part of financial statements

- 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 Provision for Free Look period
The provision for free look period is duly certified by the appointed actuary
- 41 Fair Value Change Account
Fair Value Change Account represents unrealized gains or losses due to change in fair value of listed equity shares and mutual fund units outstanding at the close of the year.
- 42 Allocation of Investment Income
Investment income is recognized in Profit & Loss Account and Revenue account based on income generated against investments representing securities in policyholder and shareholder's fund.
- 43 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
- 44 The amount of foreign exchange (loss)/gain booked in Profit and Loss account is 4,525 thousands (Previous year 179 thousands).
- 45 The figures have been rounded off to the nearest thousand, and the Previous year's figures have been regrouped / reclassified in the respective schedules and notes, wherever necessary to conform to the current year's classifications.
- 46 Basis of Amortization of Debt Securities
Accretion of discount and amortization of premium relating to debt securities is recognized over the holding/maturity period on a straight line basis and is recognized in the Revenue or Profit & Loss Account.
- 47 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 / NS00028

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

For and on behalf of the Board of Directors



Neena Goel
Partner
Membership No.: 057986



Pawan K. Gupta
Partner
Membership No. 092529

Shamsher Singh Mehta
Director
(DIN : 02201929)

Anuj Gulati
Managing Director & CEO
(DIN : 00278955)

Daljit Singh
Additional Director
(DIN : 00135414)

Pankaj Gupta
Chief Financial Officer

Pratik Kapoor
Company Secretary

Place : Gurugram
Date : 26th April, 2019

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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 31st March 2019 :

1. Section 3A of the Insurance Act, 1938 has been amended by the Insurance Laws (Amendment) Act, 2015 to remove the process of annual renewal of the Certificate of Registration issued to Insurers under Section 3 of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015). However, it has been stated that Insurers shall continue to pay such annual fee as may be prescribed by the Regulations. Insurance Regulatory Development Authority of India ("IRDAI") in line with the above amendment issued a general circular stating that Certificate of Registration of the Insurers renewed in 2014, expiring in March 2015, shall continue to be in force from April 1, 2015 subject to payment of renewal fee. It is confirmed that renewal fees for FY 2019-20 has been paid.
2. It is certified that all the dues payable to the statutory authorities up to 31st March 2019 have been duly paid.
3. It is confirmed that the shareholding pattern during the year ended 31st March 2019 is in accordance with the statutory and regulatory requirements.
4. It is hereby declared that management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. The Company is maintaining the Control Level of Solvency as required under the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and the relevant Regulation as prescribed by the IRDAI.
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 31st March 2019.

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

a) Ageing of Claims Outstanding:*

Financial Year 2017-18:

Age	Number of Claims**	Amount (₹ in Lakhs)
1 Month	21,864	3,970
1-3 Months	13,893	1,664
3-6 Months	9,747	1,379
6-12 Months	4,283	1,773

Financial Year 2018-19:

Age	Number of Claims**	Amount (₹ in Lakhs)
1 Month	68,040	9,052
1-3 Months	25,138	2,930
3-6 Months	22,148	3,934
6-12 Months	13,305	1,746

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

** Includes reimbursement and cashless claims outstanding.

b) Trend in Settlement of Claims:

Period	2018-19		2017-18		2016-17		2015-16		2014-15	
	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs	No. of Claims	₹ in Lakhs
30 Days	570,397	79,083	220,019	42,285	127,256	25,437	110,338	17,891	78,547	8,878
30 Days to 6 Months	-	-	-	-	-	-	-	-	3,078	1,019
6 Months to 1 Year	-	-	-	-	-	-	-	-	18	8
1 Year to 5 Years	-	-	-	-	-	-	-	-	-	-
5 Years and Above	-	-	-	-	-	-	-	-	-	-
	648,613	79,083	224,883	42,285	127,256	25,437	110,338	17,891	81,643	9,904



Religare Health Insurance Company Limited

IRDA Registration number 148 dated 26 April, 2012

10. As at 31st March 2019, the investments of the Company are mainly in Debt Securities, Bank Deposits, equity shares 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, listed equity shares at market value 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 31st March 2019 has been calculated as per Fixed Income Money Market & Derivatives Association (FIMMDA) Yield curve.
11. Investments are in accordance with the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and Investment Regulations, 2016. Investment Portfolio consists of Government Securities & State Government Securities (Sovereign Guarantee), Infrastructure Bonds, Housing Sector Bonds, Corporate Bonds, Liquid Mutual Funds, listed/unlisted equity shares and Deposits with various Scheduled Banks. There is no Non Performing Asset as at 31st March 2019.
12. In compliance with corporate governance guidelines for insurers in India 2016, below are disclosures as mandated by guidelines.

a. Financial and operating ratios:

Particulars	For the Year ended 31st March, 2019
Net Incurred Claims to Net Earned Premium ratio	55%
Net commission to Net written premium ratio	-2%
Expense of Management to net Written Premium ratio	58%

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

b. Solvency ratio:

	₹ Lakhs
Total Available Solvency Margin (ASM)	43,250
Total Required Solvency Margin (RSM)	27,649
Solvency Ratio (Total ASM/Total RSM)	1.56

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

c. Financial performance :

Particulars	For the Year ended 31st March, 2019
Gross Premium Growth Rate	67%
Growth rate of Net Worth	59%
Net worth as on 31 st march 19	₹ 43,967 Lakhs



Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

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

d. Risk Management architecture

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

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

Claims Experience	Health	Overseas Travel	Personal Accident	Total
Claims O/S at the beginning of the period	4,519	300	146	4,965
Claims Reported during the period	691,592	2,941	1,098	695,631
Claims Settled during the period	646,192	1,801	620	648,613
Claims Repudiated during the period	45,065	1,015	310	46,390
Claims Closed during the period	0	0	0	0
Claims O/S at End of the period *	4,854	425	314	5,593
Less than 3 months	3,189	121	66	3,376
3 months to 6 months	1,285	142	132	1,559
6 months to 1 year	380	162	116	658
1 year and above	0	0	0	0

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

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

(₹ Lakhs)

Particulars	As at 31.03.2019
Salaries & Allowances	2,003
Contribution to Provident and other funds	51
Perquisites	3



Religare Health Insurance Company Limited



IRDA Registration number 148 dated 26 April, 2012

g. Payments made to group entities from policyholders funds

(₹ Lakhs)

S. No	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	As at 31st March 2019
1	Religare Enterprises Limited	Holding Company	Expense Reimbursement to Religare Enterprises Limited	320
2	Religare Finvest Limited	Fellow Subsidiary	Expense Reimbursement to Religare Finvest Limited	1
			Commission Expenses	18
3	Religare Broking Limited	Fellow Subsidiary	Expense Reimbursement to Religare Securities Limited	2
			Commission Expenses	75
4	Religare Commodities Limited	Subsidiary of Fellow Subsidiary	Expense Reimbursement to Religare Commodities Limited	1

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

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

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

14. It is hereby confirmed:

- 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.

Unearned Premium Reserve (UPR) as per the option granted by IRDAI is being created at 50% of the net written premium of the preceding 12 months since 2017. The Company based on the industry trend, experience gained and based on expert opinion, on the policies where the premium is earned fully during the accounting period (on expired policies), no UPR is created. This has resulted in decrease in the UPR by Rs. 450,021 thousands.



Religare Health Insurance Company Limited




IRDA Registration number 148 dated 26 April, 2012


Management have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating Profit or Loss of the Company for the year.

- b. That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and Companies Act 2013 (erstwhile Companies Act 1956) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- c. As per the requirement of Circular No. IRDA /F&I /CIR /IFRS /038 /03 /2016 dated 1st March, 2016; This is to update that, The company prepared Proforma Ind AS Financials for the period ending as at 31st December 2018 and submitted to the Authority. Also as mandated by circular company will submit proforma Ind AS Financials for the period ending as at 31st March, 2019 within the timelines specified by Authority.
- 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.

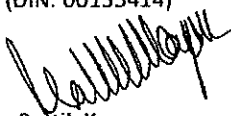
For and on behalf of the Board of Directors


Shamsher Singh Mehta
Director
(DIN: 02201929)


Anuj Gulati
Managing Director & CEO
(DIN: 00278955)


Daljit Singh
Additional Director
(DIN: 00135414)


Pankaj Gupta
Chief Financial Officer


Pratik Kapoor
Company Secretary

Place : Gurugram
Date : 26th April 2019

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customerfirst@religarehealthinsurance.com



Religare Health Insurance Company Limited

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

CIN: U66000DL2007PLC161503 IRDA Registration Number - 148



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Values that bind

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