Draft Red Herring Prospectus
Dated February 8, 2019
(Please read Section 32 of the Companies Act, 2013)
100% Book Building Offer

RELIANCE GENERAL INSURANCE COMPANY LIMITED

Our Company was originally incorporated as 'Reliance General Insurance Limited', a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC on August 17, 2000. Thereafter, the name of our Company was changed to 'Reliance General Insurance Company Limited' and a fresh certificate of incorporation was issued by the RoC, on October 12, 2000. Subsequently, our Company received a certificate for commencement of business on November 17, 2000 from the RoC. Pursuant to a certificate issued by the Insurance Regulatory and Development Authority of India ("**IRDAI**") on October 23, 2000, our Company was registered with the IRDAI (registration number 103). For details of changes in the name and registered office address of our Company, see '*History and Certain Corporate Matters*' on page 188.

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710, Maharashtra, India
Corporate Office: Reliance Centre, South Wing, 4th Floor, Off. Western Express Highway, Santacruz (East), Mumbai 400 055, Maharashtra, India
Contact Person: Mohan Khandekar, Company Secretary and Compliance Officer for the Offer; **Tel.**: + 91 22 33031000;
E-mail: rgicl.compsec@relianceada.com; **Website**: www.reliancegeneral.co.in; **Corporate Identity Number:** U66603MH2000PLC128300

PROMOTER OF OUR COMPANY: RELIANCE CAPITAL LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF RELIANCE GENERAL INSURANCE COMPANY LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 2,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE BY RELIANCE CAPITAL LIMITED, THE PROMOTER OF OUR COMPANY (THE "PROMOTER SELLING SHAREHOLDER"), OF UP TO 79,489,821 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION ("THE OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE UP TO [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE OFFER SHALL COMPRISE OF A NET OFFER OF UP TO [●] EQUITY SHARES AND RELIANCE CAPITAL SHAREHOLDERS' RESERVATION PORTION OF UP TO 10% OF THE OFFER. THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDER IN CONSULTATION WITH THE GCBRLMs AND THE BRLMs AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER [●], ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER [●], AND THE [●] EDITION OF THE MARATHI DAILY NEWSPAPER [●] (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHEREIN THE REGISTERED OFFICE OF OUR COMPANY IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the GCBRLMs and the BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Offer is being made in terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"). The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIB Portion**"), provided that our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. The number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. For details, see "*Offer Procedure*" on page 395.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Offer Price/Floor Price/Price Band, as determined and justified by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs in accordance with the SEBI ICDR Regulations and as stated in "*Basis for Offer Price*" on page 89 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 21.

DISCLAIMER CLAUSE OF THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA ("IRDAI")

The IRDAI does not undertake any responsibility for the financial soundness of our Company or for the correctness of any of the statements made or opinions expressed in this connection. Any approval by the IRDAI under the IRDAI Capital Regulations (as defined in "*Definitions and Abbreviations*") shall not in any manner be deemed to be or serve as a validation of the representations by our Company in the offer document. The Offer has not been recommended or approved by IRDAI, nor does IRDAI guarantee the accuracy or adequacy of the contents / information in this disclosure document. It is to be distinctly understood that this disclosure document should not in any way be deemed or construed to have been approved or vetted by IRDAI.

COMPANY AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. The Promoter Selling Shareholder accepts responsibility for and confirms only the statements specifically made by the Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to it and the Offered Shares assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 429.

GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS

Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah, Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400 025, Maharashtra, India **Tel:** +91 22 3846 4380 **E-mail:** rgic.ipo@motilaloswal.com **Investor Grievance E-mail:** moiaplredressal@motilaloswal.com **Website:** www.motilaloswalgroup.com **Contact Person**: Subodh Mallya/Kristina Dias **SEBI Registration No.**: INM000011005	**CLSA India Private Limited** 8 / F Dalamal House Nariman Point Mumbai 400 021, Maharashtra, India **Tel**: +91 22 6650 5050 **E-mail**: rgicl.ipo@clsa.com **Investor Grievance E-mail**: investor.helpdesk@clsa.com **Website**: www.india.clsa.com **Contact Person**: Rahul Choudhary **SEBI Registration No.**: INM000010619	**Credit Suisse Securities (India) Private Limited** 9th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400 018, Maharashtra, India **Tel:** +91 22 6777 3777 **E-mail:** list.projectgenuine@credit-suisse.com **Investor grievance e-mail:** list.igcellmerbnkg@credit-suisse.com **Website:** https://www.credit-suisse.com/in/en/investment-banking/regional-presence/asia-pacific/india/ipo.html **Contact Person**: Ashish Zambre **SEBI Registration No.**: INM000011161

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
Haitong Securities India Private Limited 1203A, Floor 12A, Tower 2A, One Indiabulls Centre, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013 Maharashtra, India **Tel:** +91 22 4315 6857 **E-mail:** reliancegi.ipo@htisec.com **Investor Grievance e-mail:** India.Compliance@htisec.com **Website:** http://www.htisec.com/en-us/haitong-india **Contact person:** Hardik Doshi **SEBI Registration Number:** INM000012045	**IndusInd Bank Limited** 11th Floor, Tower 1, One Indiabulls Centre, 841, Senapati Bapat Marg Elphinstone Road Mumbai 400 013 Maharashtra, India **Tel:** +91 22 7143 2208 **E-mail:** joshi.rahul@indusind.com **Investor grievance ID:** investmentbanking@indusind.com **Website:** www.indusind.com **Contact person:** Rahul Joshi **SEBI registration number:** INM000005031	**YES Securities (India) Limited** Unit No. 602 A, 6th floor, Tower 1 & 2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone (W), Mumbai 400 013, Maharashtra, India **Tel.:** +91 22 3012 6776 **E-mail**: rgic.ipo@yessecuritiesltd.in **Investor grievance e-mail:** igc@yessecuritiesltd.in **Website:** www.yesinvest.in **Contact Person:** Nikhil Bhiwapurkar **SEBI Registration:** MB/INM000012227	**Karvy Fintech Private Limited (formerly KCPL Advisory Services Private Limited)** Karvy Selenium Tower B, Plot 31 & 32 Gachibowli, Financial District Nanakramguda, Hyderabad 500 032 Telangana, India **Tel**: +91 40 6716 2222 **E-mail**: einward.ris@karvy.com **Investor grievance e-mail**: rgic.ipo@karvy.com **Website**: https://www.karvyfintech.com/ **Contact person**: M Murali Krishna **SEBI Registration No.**: INR000000221* **The registration is currently under the name of Karvy Computershare Private Limited. Karvy Fintech Private Limited has filed an application with the SEBI for registration under its new name, which is currently pending*

BID/OFFER PROGRAMME	
BID/ OFFER OPENS ON: *	[●]
BID/ OFFER CLOSES ON: **	[●]

* *Our Company and the Promoter Selling Shareholder may, in consultation with the GCBRLMs and the BRLMs, consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*
***Our Company and the Promoter Selling Shareholder may, in consultation with the GCBRLMs and the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

[This page has been intentionally left blank]

TABLE OF CONTENTS

SECTION I – GENERAL 1

DEFINITIONS AND ABBREVIATIONS 1
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION 14
FORWARD-LOOKING STATEMENTS 16
SUMMARY OF THE OFFER DOCUMENT 17

SECTION II - RISK FACTORS 21

SECTION III – INTRODUCTION 61

SUMMARY FINANCIAL INFORMATION 61
THE OFFER 65
GENERAL INFORMATION 66
CAPITAL STRUCTURE 75
OBJECTS OF THE OFFER 86
BASIS FOR OFFER PRICE 89
STATEMENT OF TAX BENEFITS 92

SECTION IV – ABOUT OUR COMPANY 102

INDUSTRY OVERVIEW 102
OUR BUSINESS 145
REGULATIONS AND POLICIES 175
HISTORY AND CERTAIN CORPORATE MATTERS 188
OUR MANAGEMENT 192
OUR PROMOTER AND PROMOTER GROUP 211
OUR GROUP COMPANIES 215
RELATED PARTY TRANSACTIONS 232
DIVIDEND POLICY 233

SECTION V – FINANCIAL INFORMATION 234

FINANCIAL STATEMENTS 234
OTHER FINANCIAL INFORMATION 305
ADDITIONAL DISCLOSURES OF FINANCIAL STATEMENTS UNDER IRDAI CAPITAL REGULATIONS 306
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 323
CAPITALISATION STATEMENT 351
FINANCIAL INDEBTEDNESS 352

SECTION VI – LEGAL AND OTHER INFORMATION 354

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS 354
GOVERNMENT AND OTHER APPROVALS 372
OTHER REGULATORY AND STATUTORY DISCLOSURES 374

SECTION VII – OFFER INFORMATION 388

TERMS OF THE OFFER 388
OFFER STRUCTURE 392
OFFER PROCEDURE 397
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES 415

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION 416

SECTION IX – OTHER INFORMATION 429

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 429
DECLARATION 432

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended.

General Terms

Term	Description
"the Company", "our Company", or "the Issuer" or "we", "our" or "us"	Reliance General Insurance Company Limited, a public limited company incorporated under the Companies Act, 1956, and having its Registered Office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710, Maharashtra, India and Corporate Office at Reliance Centre, 4th Floor, South Wing, Off. Western Express Highway, Santacruz (East), Mumbai 400 055, Maharashtra, India.

Company Related Terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, as described in "*Our Management*" on page 192.
"Auditors" or "Joint Statutory Auditors" or "Statutory Auditors"	The current joint statutory auditors of our Company, namely, Price Waterhouse Chartered Accountants LLP, Chartered Accountants and Pathak H.D. & Associates, Chartered Accountants.
"Board" or "Board of Directors"	The board of directors of our Company (including any duly constituted committee thereof).
CSR Committee	The corporate social responsibility committee of our Board, as described in "*Our Management*" on page 192.
Corporate Office	Reliance Centre, South Wing, 4th Floor, Off. Western Express Highway, Santacruz (East), Mumbai 400 055, Maharashtra, India.
Director(s)	The director(s) on our Board.
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Group Companies	The companies as described in "*Our Group Companies*" on page 215.
Independent Director(s)	Independent Director(s) on our Board.
IPO Committee	The committee constituted by our Board for the Offer, as described in "*Our Management*" on page 192.
Key Management/ Managerial Personnel	Key management/ managerial personnel of our Company in terms of the SEBI ICDR Regulations, IRDAI Corporate Governance Guidelines and the Companies Act, 2013 and as disclosed in "*Our Management*" on page 192.
"Memorandum" or Memorandum of Association or "MoA"	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in "*Our Management*" on page 192.
Phantom Stock Plan	RGICL Phantom Stock Option Scheme, 2015.
Phantom Stock Option	Phantom stock option issued pursuant to the Phantom Stock Plan.
Promoter	The promoter of our Company, namely, Reliance Capital Limited.
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations. For details, see "*Our Promoter and Promoter Group*" on page 211.
Registered Office	H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710, Maharashtra, India.
"Registrar of Companies" or "RoC"	The Registrar of Companies, Maharashtra, at Mumbai.
Reliance Capital	Reliance Capital Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered office at H' block 1st floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710, Maharashtra, India.
Restated Financial Information	The restated financial information of our Company for the Fiscals years 2016, 2017 and 2018, and the six months ended September 30, 2017 and September 30, 2018 prepared in accordance with the Companies Act and restated in accordance with the requirements of the SEBI ICDR Regulations and the relevant provisions of the IRDAI Capital Regulations

Term	Description
RGICL ESOP 2017	Reliance General Insurance Company Limited Employee Stock Option Scheme.
Shareholders	The holders of the Equity Shares from time to time.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board as described in "*Our Management*" on page 192.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary (ies) to the Bidder as proof of registration of the Bid cum Application Form.
'Allot' or 'Allotment' or 'Allotted'	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Promoter Selling Shareholder pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom an Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/ Offer Period or Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
'ASBA' or 'Application Supported by Blocked Amount'	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism to the extent of the Bid Amount of the Bidder/Applicant
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder(s)	Any Bidder (other than an Anchor Investor) in the Offer who intends to submit a Bid.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 397.
Bid(s)	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor

Term	Description
	Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form, and payable by an Anchor Investor or blocked in the ASBA Account of an ASBA Bidder, as the case may be, upon submission of the Bid in the Offer.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
'Bidder' or 'Applicant'	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[●] Equity Shares.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and the [●] edition of Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located), each with wide circulation and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Members of the Syndicate and communicated to the designated intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations. Our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and the [●] edition of Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
'Book Running Lead Managers' or 'BRLMs'	The book running lead managers to the Offer, being Haitong Securities India Private Limited, IndusInd Bank Limited and YES Securities (India) Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
CLSA	CLSA India Private Limited
Credit Suisse	Credit Suisse Securities (India) Private Limited
'CAN' or 'Confirmation of Allocation Note'	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
'CDP' or 'Collecting Depository Participant'	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of

Term	Description
	circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Compliance Officer for the Offer	Compliance officer for the Offer in terms of the SEBI ICDR Regulations.
Cut-Off Price	Offer Price, which shall be any price within the Price Band, finalised by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs. Only Retail Individual Bidders and Reliance Capital Shareholders applying under the Reliance Capital Shareholders' Reservation Portion (subject to the Bid Amount being upto ₹ 200,000) are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfers funds from the Escrow Account, and funds blocked by the SCSBs and Sponsor Bank are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Red Herring Prospectus following which the Equity Shares will be Allotted in the Offer.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/ agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders in the Offer.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated February 8, 2019 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer.
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
Escrow Agreement	The agreement dated [●] amongst our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the GCBRLMs and the BRLMs, the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Sponsor Bank, and the Refund Bank(s) for among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Escrow Account(s) will be opened, in this case being [●].
First or sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
Fresh Issue	The issue of up to [●] Equity Shares aggregating up to ₹ 2,000 million by our Company for subscription pursuant to the terms of the Red Herring Prospectus.
"GCBRLMs" or "Global Coordinators and Book Running	The global coordinators and book running lead managers, namely, Motilal Oswal Investment Advisors Limited, CLSA India Private Limited and Credit Suisse Securities

Term	Description
Lead Managers"	(India) Private Limited
Haitong	Haitong Securities India Private Limited
ICRA	ICRA Limited.
ICRA Report	Report titled "Indian General Insurance Industry - Overview" dated January, 2019 prepared by ICRA Limited.
IndusInd	IndusInd Bank Limited.
General Information Document or GID	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 issued by SEBI, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, the notification dated November 30, 2016 and the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018, and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIC Re	General Insurance Corporation of India
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
Materiality Policy	Policy for identification of group companies, material outstanding civil litigations proceedings of our Company, our Promoters and our Directors and material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board through its resolution dated January 30, 2019.
Motilal Oswal	Motilal Oswal Investment Advisors Limited
Mutual Fund Portion	[●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Net Offer	The Offer less the Reliance Capital Shareholders' Reservation Portion.
Non-Institutional Bidders	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹200,000.
Non-Institutional Portion	Not less than [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
'Non-Resident' or 'NR'	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs and NRIs.
Offer	Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million (the "Offer"). The Offer comprises of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 2,000 million and an Offer for Sale of up to 79,489,821 Equity Shares aggregating up to ₹ [●] million. The Offer comprises of a Net Offer of up to [●] Equity Shares and Reliance Capital Shareholders' Reservation Portion of up to 10% of the Offer. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-offer paid-up equity share capital of our Company.
Offer Agreement	The agreement dated February 8, 2019 among our Company, the Promoter Selling Shareholder, the GCBRLMs and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 79,489,821 Equity Shares aggregating up to ₹ [●] million by the Promoter Selling Shareholder, in terms of the Red Herring Prospectus.
Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus.
Offered Shares	Equity Shares being offered for sale by the Promoter Selling Shareholder in the Offer.
Offer Proceeds	The gross proceeds of this Offer based on the total number of Equity Shares Allotted under this Offer and the Offer Price.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price

Term	Description
	of ₹ [●] per Equity Share, including any revisions thereof. The Price Band and minimum Bid Lot, as decided by our Company and the Promoter Selling Shareholder, in consultation with the GCBRLMs and the BRLMs will be advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and [●] edition of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, will finalise the Offer Price.
Promoter Selling Shareholder	Reliance Capital Limited
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened, in this case being [●].
'QIBs' or 'Qualified Institutional Buyers'	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Bidders	QIBs who Bid in the Offer.
QIB Portion	[●] Equity Shares, which shall be available for allocation to QIBs (including Anchor Investors) on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
QIB Bid/ Offer Closing Date	In the event our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, the date one day prior to the Bid/Offer Closing Date; otherwise it shall be the same as the Bid/Offer Closing Date.
'Red Herring Prospectus' or 'RHP'	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.
Refund Account	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	The Banker to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registrar Agreement	The agreement dated February 8, 2019, entered into between our Company, the Promoter Selling Shareholder and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
'Registrar to the Offer' or 'Registrar'	Karvy Fintech Private Limited (formerly KCPL Advisory Services Private Limited)
Reliance Capital Shareholders	Individuals and HUFs who are the public equity shareholders of Reliance Capital, our Promoter (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) as on the date of the Red Herring Prospectus.
Reliance Capital Shareholders' Reservation Portion	Reservation of up to 10% of the Offer in favour of the Reliance Capital Shareholders.
'RTAs' or 'Registrar and Share Transfer Agents'	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Resident Indian	A person resident in India, as defined under FEMA.
'Retail Individual Bidder(s)' or 'Retail Individual Investor(s)' or 'RII(s)' or 'RIB(s)'	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
Retail Portion	Not less than [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the

Term	Description
	Offer Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
'Self Certified Syndicate Bank(s)' or 'SCSB(s)'	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other websites and updated from time to time.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely [●].
Share Escrow Agreement	The agreement dated [●] between our Company, the Promoter Selling Shareholder and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders.
Sponsor Bank	Bank registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being [●]
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the GCBRLMs and the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] between our Company, the Registrar to the Offer, the Promoter Selling Shareholder, the GCBRLMs and the BRLMs and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate.
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, [●] and [●].
'Syndicate' or 'Members of the Syndicate'	the GCBRLMs and the BRLMs and the Syndicate Members.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] between the Underwriters, our Company and the Promoter Selling Shareholder, entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The bidding mechanism that may be used by an RII to make a Bid in the Offer in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression "Working Day" shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.
XL Insurance	XL Insurance Company SE – India Reinsurance Branch
YES Securities	YES Securities (India) Limited

Technical/ Industry Related Terms/ Abbreviations

Term	Description
Acquisition Cost	Acquisition costs are those costs that vary with and are primarily related to the acquisition of new and renewal insurance contracts. The most essential test is the obligatory relationship between costs and the execution of insurance contracts (i.e. commencement of risk)
Adjusted combined ratio	Adjusted combined ratio is calculated as combined ratio less the ratio of policyholder share of Investment Income to net written premium
Agent	An individual appointed by an insurer for the purpose of soliciting or procuring insurance business including business relating to the continuance, renewal or revival of policies of insurance
All risk insurance policy	A type of insurance policy that covers a broad range of risks, including risks that are not explicitly excluded in the policy contract
AUM	Assets under management
Available solvency margin	Available solvency margin means the excess of value of assets of an insurance company over the value of its liabilities, with certain further prescribed adjustments by the IRDAI
AY	Accident Year
Broker	A licensed person/firm who arranges insurance contracts with insurance companies and/ or reinsurance companies on behalf of his clients for remuneration
CAGR	Compounded Annual Growth Rate ((End Value/Beginning Value)^(1/number of years) – 1)
CCE	Crop Cutting Experiments
Claim adjustment expenses	Expenses incurred relating to settlement of claims
Claim settlement ratio	Claims settled during the year divided by claims reported during the course of the year
Claims repudiation ratio	Claims repudiated during the year divided by sum of outstanding claims at the beginning of the year and claims reported during the course of the year
Combined ratio	The combined ratio is the sum of the loss ratio, expense ratio and commission ratio
Commission ratio	The ratio of net commission to net written premium
Corporate agent	Any entity, as prescribed by the IRDAI, that holds a valid certificate of registration for solicitation and servicing any of life, general and health insurance business
CRM	Customer relationship management
Certificate of Registration	Certificate granted by the IRDAI under the IRDA (Registration of Indian Insurance Companies) Regulations, 2000, registering an insurance company to transact the classes of business specified therein.
Economic Capital	Economic Capital is the minimum surplus required to cover potential losses, at a given risk tolerance level, over a specified time horizon.
EMI	Equated Monthly Installment
ERM	Enterprise risk management
Excess of loss reinsurance (also known as non-proportional reinsurance)	A type of reinsurance transaction pursuant to which the reinsurer, subject to a specified limit, indemnifies the ceding insurer against the amount of loss in excess of a specified retention amount
Expense ratio	Ratio of operating expenses related to insurance business to the net written premium
Facultative reinsurance	Reinsurance transacted and negotiated on an individual risk basis. The ceding insurer has the option to offer the individual risk to the reinsurer and the reinsurer retains the right to accept or reject the risk
FDI	Foreign Direct Investment
FLOP	Fire Loss of Profit Insurance
FVA	Fair Value Change Account
GDP	Gross Domestic Product
GDPI	Gross Direct Premium Income
GDPW	Gross Direct Premium Written
General/Non-life Insurance Business	Fire, marine or miscellaneous insurance business, whether carried on singly or in combination with one or more of them.
Grievance disposal ratio	Number of grievances disposed during a particular year divided by the sum of number of complaints pending at the beginning of such year and the number of complaints received during the course of the year, represented as a percentage
Gross direct premium	Gross direct premium is the total premium received before taking into account reinsurance accepted and ceded
Gross Written Premium / GWP	Gross written premium is the sum of gross direct premium and the inward reinsurance business accepted
Health Insurance Business	The effecting of contracts which provide for sickness benefits or medical, surgical or hospital expense benefits, whether in-patient or out-patient, travel cover and personal

Term	Description
	accident cover.
IAR	Industrial All Risk Insurance
Incurred but not enough reported (IBNER)	IBNER is a reserve reflecting expected changes (increases and decreases) in estimates for reported claims only
Incurred but not reported / IBNR	IBNR is a reserve to provide for claims incurred before the valuation date but are still to be reported to the insurer by such date. IBNR includes IBNER, estimate for reopened claims, provisions for incurred but not reported claims, provisions for claims in transit as on the accounting date, allocated loss adjustment expenses ("**ALAE**") and ALAE claim related expenses that are directly attributable to a specific claim.
Incurred claim ratio / Loss ratio	Ratio of net incurred claims to net earned premium. The term is also known as loss ratio.
Indian Motor Third Party Insurance Pool / IMTPIP	The IMTPIP was a multilateral arrangement for insurance set up by the IRDAI in respect of third- party claims against commercial vehicles, the losses or gains from which were shared by all Indian non-life insurance companies in proportion to their overall market share. The IMTPIP was effective from April 1, 2007 to March 31, 2012.
Indian Motor Third-Party Declined Risk Pool / IMTPDRP	The IMTPDRP was an arrangement for insurance, set up by the IRDAI, in respect of standalone third-party insurance for commercial vehicles that insurers "declined" to keep on their books. The losses or gains from such pool were shared by Indian non-life insurance companies that failed to meet a certain quota of third-party insurance policies underwritten. The IMTPDRP was effective from April 1, 2012 to March 31, 2016.
Insurance leverage	Ratio of Policyholder Liabilities to company's net worth including fair value change account.
Insurance Premium	It is the consideration the policyholder will have to pay in order to secure the benefits offered by the insurance policy.
Insurance risk	Inherent uncertainty as to the occurrence, amount and timing of insurance liabilities.
Insurance underwriting	The process by which an insurance company examines risk and determines whether the insurer will accept the risk or not, classifies those accepted and determines the appropriate rate for coverage provided.
Intermediary	Intermediary includes entities such as insurance brokers, reinsurance brokers, insurance consultants, corporate agents, third party administrators, surveyors and loss assessors and such other entities as may be notified by the authority from time to time.
Investment Income	Investment income will include interest, dividend, profit/loss on sale or redemption of investments and the investment income is adjusted for amortisation, write off and provisions.
Investment leverage	Investment leverage is the ratio of total investment assets (net of borrowings) to net worth.
IRDAI	Insurance Regulatory And Development Authority of India.
ISNP	Insurance Self Network Platform.
Kharif	Kharif refers to the season which lasts from April to October and the crops that are cultivated and harvested in such season.
Liquid Assets	Short term investments plus cash and bank balances.
Loss adjustment expense / LAE	Loss adjustment expenses are payments for costs to be incurred in connection with the administration of claims including, for example: payments made to surveyors, investigators, *etc*.
Loss Reserves	Loss reserves are the reserves (or provision) for outstanding claims, IBNR and IBNER.
Motor Accident Claims Tribunal/MACT	Motor third party claims referred to the motor accident claims tribunal. The tribunal deals with claims relating to loss of life and injury cases and property damage of third party resulting from motor accidents.
Motor Third-Party Liabilities	Claims related to compensation of motor accident victims or their nearest kin for death/bodily injury.
Net Direct Premium Income to GDPI ratio	Net Written Premium on Gross Direct Premium / Gross Direct Premium.
Net earned premiums / NEP	Net written premium adjusted by the change in unexpired risk reserve for a year.
Net incurred claims	Claim incurred (net) are gross incurred claims less all claims recovered from reinsurers related to those gross incurred claims.
Net Outstanding Claim Reserves	Reserve created for unpaid claims after adjusting for amount recoverable from reinsurers.
Net Worth	Net worth represents the shareholders' funds and is computed as sum of share capital, reserves and surplus, share application money pending allotment, net of miscellaneous expenditure and debit balance in the profit and loss account.

Term	Description
Net written premium / NWP	Gross written premium less premium on reinsurance ceded
Non-life insurance density	The ratio of overall gross direct premium in the non-life insurance industry to the population of a country
Non-life insurance penetration	Overall gross domestic premium in the non-life insurance industry as a percentage of gross domestic product of a country
Obligatory cession	The portion of risk that Indian non-life insurance companies are required by law to cede to Indian general insurance company as per relevant IRDAI reinsurance regulations
Operating expense ratio	Ratio of operating expenses to net written premium
Policyholders Liability	Claim outstanding plus reserve for unexpired risk plus reserve for premium deficiency
Pradhan Mantri Fasal Bima Yojana / PMFBY	A Government of India programme under which the central and state governments subsidise the purchase of yield-based crop insurance for farmers. The PMFBY was launched in April 2016 and covers food crops, oilseeds and commercial and horticultural crops
Premium ceded	Premium on reinsurance ceded is the premium in relation to the risk that we cede to our reinsurers
Premium deficiency reserve	Reserve created when the expected claims and claim related expenses on unexpired risks exceeds the unearned premium reserve
Premium To Surplus Ratio	Ratio of net written premium to net worth
Proportional reinsurance	A type of reinsurance transaction pursuant to which the reinsurer and the ceding insurer share a defined percentage of the premiums and liabilities of certain underlying insurance. The reinsurer also typically pays the ceding reinsurer a commission
Rabi	Rabi refers to the season which typically lasts from mid-November to April/May and the crops that are cultivated and harvested in such season
Rashtriya Swasthya Bima Yojana / RSBY	A Government of India programme under which the central and state governments provide health insurance to low income households certain defined categories of unorganised workers
Reinsurance	Reinsurance is a transaction whereby one company, the reinsurer, agrees to indemnify another insurance company, the reinsured against all or part of the loss that the latter sustains under a policy or policies that it has issued, in return for a premium
Required Solvency Margin / RSM	RSM1: Required solvency margin based on net premiums and shall be determined as twenty percent (20%) of the amount which is the higher of the gross premiums multiplied by a factor (specified) and the net premiums. RSM2: Required solvency margin based on net incurred claims and shall be determined as thirty percent (30%) of the amount which is the higher of the gross incurred claims multiplied by a factor (specified) and the net incurred claims. RSM: Required solvency margin shall be the higher of the amounts of RSM1 and RSM2 for each line of business separately
Reserve Risk	The risk that the reserves set up to meet the unpaid obligations are less than the payment needed
Restructured Weather Based Crop Insurance Scheme (RWBCIS)	Weather Based Crop Insurance Scheme is an index based insurance cover which aims to mitigate the hardship of the insured farmers against the likelihood of financial loss by providing protection against variation in specified weather indices such as rainfall, humidity, temperature, *etc*. or a combination of these factors
Retained risk	The amount of liability for which an insurance company will remain responsible after accounting for its reinsurance arrangements
Retention limit	The maximum amount of risk retained by an insurer, beyond which the insurer cedes the risk to reinsurers
Rider	The add-on benefits which are in addition to the benefits under a basic policy
Salvage	Value recoverable from sale of scrap/recovered material arising from claim
SFSP	Standard Fire And Special Perils Insurance
Solvency ratio (Solvency)	The ratio of available solvency margin to the required solvency margin
Surveyor	An independent professional appointed by an insurer which seeks to determine the extent of its liability with respect to a claim that is submitted
TAC	Tariff Advisory Committee
Technical reserves	Technical reserves comprise of reserves for unexpired risk, premium deficiency reserve, and outstanding claims including IBNR and IBNER
Third Party Claim Hubs	Specialized offices set by our Company to handle the motor third party claims
Third-Party loss / TP loss	A loss suffered by a person(s) other than the insured or insurer who has incurred losses or is entitled to receive payment due to acts or omissions of the insured
Third-Party Motor Insurance	Liability insurance purchased by an insured (the first party) from an insurer (the second party) for protection against the claims of another (the third) party
Total Debt to Net Worth Ratio	Total Debt / Net worth, where Total Debt = secured and unsecured borrowing and net

Term	Description
	worth includes share capital + reserves and surplus + application money pending for allotment + Change in fair value account
TPA	Third Party Administrators
Treaty	A reinsurance contract in which a reinsurance company agrees to accept all of a particular type of risk from the ceding insurance company. Reinsurers in a treaty contract are obliged to accept all risks outlined in the contract
Underwriting risk	Risk of premium being inadequate to cover claims and claim related expenses, commission and operating expenses
Unearned premium reserve	Amount representing that part of the premium written which is attributable to, and is to be allocated to the succeeding accounting periods
Unexpired risk reserve / URR	Sum of unearned premium reserve
UY	Underwriting Year

Conventional and General Terms or Abbreviations

Term	Description
'Mn' or 'mn'	Million.
AGM	Annual General Meeting.
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
AS or Accounting Standards	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
BSE	BSE Limited.
Category II FPI	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Category III FPI	FPIs registered as "Category III foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
CBDT	Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India.
CBLO	Collateralized borrowing and lending obligation
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have an effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections by the Ministry of Corporate Affairs, Government of India as of the date of this Draft Red Herring Prospectus, along with the relevant rules made thereunder.
Contract Labour Act	The Contract Labour (Regulation and Abolition) Act, 1970.
CSR	Corporate Social Responsibility.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, read with regulations framed thereunder.
DIN	Director Identification Number.
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.
DP ID	Depository Participant's Identity Number.
DP or Depository Participant	A depository participant as defined under the Depositories Act.
EGM	Extraordinary General Meeting.
ELSS	Equity Linked Savings Scheme.
Employees Provident Fund Act	Employees Provident Funds and Miscellaneous Provisions Act, 1952.
Employees State Insurance Act	Employees State Insurance Act, 1948.
EPS	Earnings Per Share.
FAQs	Frequently asked questions.
FCNR	Foreign currency non-resident account.
FDI	Foreign Direct Investment.
FDI Circular	Consolidated Foreign Direct Investment policy circular of 2017, effective from August 28, 2017, issued by the DIPP.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident

Term	Description
	outside India) Regulations, 2017.
'Financial Year' or 'Fiscal or Fiscal Year' or 'FY'	The period of 12 months ending March 31 of that particular year.
FIPB	The erstwhile Foreign Investment Promotion Board.
Foreign Investment Rules	Indian Insurance Companies (Foreign Investment) Rules, 2015
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
GDP	Gross domestic product.
GoI or Government or Central Government	The Government of India.
GST	Goods and services tax.
HUF	Hindu undivided family.
ICAI	The Institute of Chartered Accountants of India.
ICDS	Income Computation and Disclosure Standards, notified by the GoI on September 29, 2016.
IFRS	International Financial Reporting Standards.
Income Tax Act	Income- Tax Act, 1961, read with the rules framed thereunder.
Income Tax Rules	Income- Tax Rules, 1962.
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under Companies (Indian Accounting Standard) Rules, 2015
Indian Accounting Standard Rules	Companies (Indian Accounting Standards) Rules of 2015.
Indian GAAP	Generally accepted accounting principles in India.
Indian Penal Code	Indian Penal Code, 1860.
Insurance Act	Insurance Act, 1938.
IPO	Initial public offering.
IRDA Act	The Insurance Regulatory and Development Authority Act, 1999.
IRDAI Capital Regulations	Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015.
IRDAI Corporate Governance Guidelines	Guidelines for corporate governance issued by the IRDAI by way of circular no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016.
IRDAI Transfer Regulations	Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015.
IST	Indian Standard Time.
IT	Information Technology.
Listed Insurance Companies Guidelines	Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016.
MCA	Ministry of Corporate Affairs, Government of India.
MICR	Magnetic ink character recognition.
MoU	Memorandum of understanding.
N.A.	Not applicable.
NAV	Net asset value.
NCD	Non-Convertible Debentures.
NEFT	National Electronic Fund Transfer.
NPS	National Pension Scheme.
NRE Account	Non-Resident External account.
NRI	A person resident outside India, who is a citizen of India or an overseas citizen of India cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
'OCB' or 'Overseas Corporate Body'	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
p.a.	Per annum.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number.
PAT	Profit after tax.
PFRDA Pension Fund Regulations	Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015

Term	Description
PMS	Portfolio Management Services.
RBI	Reserve Bank of India.
"RONW"/ "RoNW"	Net profit after tax / net worth as at the end of period/year.
RTGS	Real time gross settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
State Government	The government of a state in India.
Stock Exchanges	Collectively, the BSE and NSE.
STT	Securities transaction tax.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
TAN	Tax deduction account number.
TDS	Tax deducted at source.
U.S. GAAP	Generally accepted accounting principles of the United States of America.
U.S. Investment Company Act	U.S. Investment Company Act of 1940, as amended
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
VAT	Value added tax.
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations.
Year/ Calendar Year	The 12 month period ending December 31.

Words and expressions used but not defined herein shall have the same meaning as is assigned to such terms in the SEBI ICDR Regulations, the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, capitalised terms in "*Statement of Tax Benefits*", "*Financial Statements*", "*Basis for Offer Price*", "*Outstanding Litigation and Material Developments*", "*Offer Procedure*" and "*Main Provision of the Articles of Association*" on pages 92, 234, 89, 354, 397 and 416 respectively, shall have the meaning as ascribed to such terms in such sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Page Numbers

Unless otherwise stated, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to *"Rupee(s)"*, *"Rs."* or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to *"US$"* or *"U.S. Dollars"* or *"USD"* are to United States Dollars, the official currency of the United States of America.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

Currency	**Exchange rate as on**				
	September 30, 2018(2)	**September 30, 2017**	**March 31, 2018(1)**	**March 31, 2017**	**March 31, 2016**
USD#	72.55(2)	65.36(3)	65.04(1)	64.84	66.33

#Source: RBI reference rate

(1) Exchange rate as on March 28, 2018, as RBI reference rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and public holidays, respectively

(2) Exchange rate as on September 28, 2018, as reference rate is not available for September 30, 2018 and September 29, 2018 being a Sunday and a Saturday, respectively.

(3) Exchange rate as on September 29, 2017, as reference rate is not available for September 30, 2017 being a Saturday.

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

Financial and Other Data

Unless stated or the context requires otherwise, our financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information, included in this Draft Red Herring Prospectus.

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**", "**Fiscal Year**" or "**FY**") are to the 12 month period ended March 31 of that particular year, unless otherwise specified.

India has decided to adopt the "*Convergence of its existing standards with IFRS*" referred to as the "*Indian Accounting Standards*" or "*Ind AS*". In terms of a notification released by the IRDAI, our Company is required to prepare its financial statements in accordance with Ind AS for accounting periods beginning on April 1, 2020. Accordingly, our financial statements for the period commencing from April 1, 2020, may not be comparable to our historical financial statements. We have not attempted to quantify the impact of Ind AS on the financial information included in this Draft Red Herring Prospectus, nor have we provided a reconciliation of our financial statements to those under Ind AS.

All the figures in this Draft Red Herring Prospectus, except for figures derived from the ICRA Report (which are in crores), have been presented in millions or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. Except for figures derived from our Restated Financial Information (which are rounded off to the 2nd decimal), all figures in decimals have been rounded off to the second decimal. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Non-Indian GAAP Financial Measures

This Draft Red Herring Prospectus contains certain non-Indian GAAP financial measures and certain other statistical information relating to our operations and financial performance. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-Indian GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the insurance industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other insurance companies.

Industry and Market Data

The industry and market data set forth in this Draft Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we have no reason to believe that industry data used in this Draft Red Herring Prospectus is not reliable, it has not been independently verified by us, none of our Directors, the Promoter Selling Shareholder and any of the GCBRLMs and the BRLMs any of their affiliates or advisors make any representation as to its accuracy or completeness. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 21.

This Draft Red Herring Prospectus contains certain industry and market data and statements concerning our industry obtained from ICRA Report. Further ICRA Limited, vide their letter dated February 1, 2019 ("**Letter**") has accorded their no objection and consent to use the ICRA Report and also stated that Rajendra Prabhakar Chitale, the Chairman and an independent Director on the board of the Company is the managing partner of a partnership firm, which (partnership firm) currently serves as the internal auditor (appointed pursuant to the applicable law) of ICRA Limited. The Letter also states that, Rakesh Jain, the Executive Director and CEO of the Company holds certain shareholding in ICRA Limited which is less than 1% of the paid up share capital of ICRA Limited as on December 31, 2018. ICRA Limited, vide their Letter has also confirmed that they are an independent agency, and other than as mentioned above, confirmed that ICRA Limited is not related to our Company, our Directors, the Promoter Selling Shareholder or our Key Managerial Personnel.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should" "will", "will continue", "seek to", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- The Indian economy;
- Regulatory and fiscal environment;
- Demand for general insurance products;
- Claims incurred and reserves;
- Reinsurance;
- Performance of our investment portfolio; and
- Competition

For a further discussion of factors that could cause our actual results to differ from our expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 145 and 323, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect our views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on the currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Directors, the Promoter Selling Shareholder, the GCBRLMs and the BRLMs or their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of registration of the Red Herring Prospectus until the date of Allotment. The Promoter Selling Shareholder will ensure that investors are informed of material developments in relation to the statements and undertakings expressly made by the Promoter Selling Shareholder in the Red Herring Prospectus until the date of Allotment.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "Our Business", "Industry Overview", "Capital Structure", "The Offer" and "Outstanding Litigation and Material Developments" available at page 21, 145, 102, 75, 65 and 354 respectively of this Draft Red Herring Prospectus.

Summary of Business

We are one of the leading private-sector general insurance company's in India. We offer a comprehensive and well-diversified range of insurance products in the motor, weather and crop, health, fire and engineering, and marine insurance sectors, as well as in other miscellaneous insurance business lines, which we provide through multiple distribution channels. In the half year ended September 30, 2018 and the financial year 2018, we issued over 2.97 million policies and 4.72 million policies, respectively, and our total GDPI was ₹35,689.82 million and ₹50,690.79 million, respectively.

Summary of Industry

The Indian insurance industry recorded a significant growth and saw the introduction of various products primarily after the liberalization period, prior to which it comprised of only the state insurance players, Life Insurance Corporation of India and General Insurance Corporation of India. By the end of Q1 financial year 2019, the industry consisted of a total of 57 insurance players, wherein 24 are life insurance companies and 33 are general (non-life including specialized insurers) insurance companies. The size of India's general insurance sector is ₹ 1.50 lakh crore on a Gross Direct Premium Written basis during financial year 2018.

Promoter Selling Shareholder

Our Promoter is Reliance Capital Limited.

Offer Size

Offer	[●] Equity Shares, aggregating up to ₹ [●] million
of which	
Fresh Issue(1)	[●] Equity Shares, aggregating up to ₹ 2,000 million
Offer for Sale(2)	Up to 79,489,821 Equity Shares, aggregating up to ₹ [●] million

(1) Our Board has authorised the Offer, pursuant to their resolutions dated September 8, 2017, read with the resolutions passed by our Board on January 12, 2018 and January 11, 2019. Our Shareholders have authorised the Offer pursuant to their resolutions dated September 11, 2017 read with their resolutions dated January 12, 2018 and January 30, 2019. Our IPO Committee has approved the Fresh Issue size pursuant to its resolution dated February 8, 2019.

(2) The Equity Shares being offered by the Promoter Selling Shareholder have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with the SEBI and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" beginning on page 374.

Objects of the Offer

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (In ₹ million)
Future capital requirements which are expected to arise from the growth and expansion of our business, improving our solvency margin and consequently our solvency ratio	[●]

Pre-Offer Shareholding of Promoter Selling Shareholder and Promoter Group

S. No.	Category of Shareholders	No. of Equity Shares	% of total paid up Equity Share capital
1.	Promoter Selling Shareholder (A)	251,549,920*	100 %

S. No.	Category of Shareholders	No. of Equity Shares	% of total paid up Equity Share capital
2.	Promoter Group (other than the Promoter Selling Shareholder) (B)	-	-

[*] *Includes 12 Equity Shares held jointly by Reliance Capital Limited along with: (i) Yogesh V. Deshpande, (ii) Madan Mohan Chaturvedi, (iii) Atul Kumar Tandon, (iv)Parul Jain, (v) K. Kannan Chettiar and (vi) Chetan Shantilal Raval.*

Summary of Financial Information

(in ₹ million other than share data)

Particulars	As on September 30, 2018 and for the six months ended September 30, 2018	As on September 30, 2017 and for the six months ended September 30, 2017	As on March 31, 2018 and for the Fiscal ended March 31, 2018	As on March 31, 2017 and for the Fiscal ended March 31, 2017	As on March 31, 2016 and for the Fiscal ended March 31, 2016
Share capital	2,515.50	2,515.50	2,515.50	1,257.75	1,227.75
Net worth[*]	15,032.65	13,309.00	14,051.15	12,476.81	11,189.53
Revenue	20,963.89	17,804.44	31,635.45	22,313.47	20,211.26
Net profit after tax	1,133.13	907.88	1,650.03	1,287.28	1,008.53
Earnings per share					
- Basic	4.50	3.61	6.56	5.12	4.11
- Diluted	4.50	3.61	6.56	5.12	3.96
Net asset value per equity share	59.76	52.91	55.86	49.60	43.96
Total borrowings	2,800.00	2,300.00	2,300.00	2,300.00	-

**Net worth has been defined the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, each as applicable to our Company on a restated basis. Share Application money pending allotment has been included.*

Qualifications of the Auditors

The Restated Financial Information does not contain any qualification requiring adjustments by the Auditors.

Summary of Outstanding Litigation and Material Developments

A summary of outstanding litigation proceedings involving our Company, our Promoter Selling Shareholder, our Directors, and our Group Companies as disclosed in this Draft Red Herring Prospectus as per the Materiality Policy, is provided below:

(₹ in million)

Type of Proceedings	Number of cases	Amount[**]
Cases against our Company		
Criminal	1	-
Action by regulatory/statutory authorities	1	-
Tax proceedings	20	1,256.38
Material civil litigation	7	1,492.14
Total	**29**	**2,748.52**
Cases by our Company		
Criminal proceedings	73	-
Other pending material litigation	3	468.44
Total	76	468.44
Cases against our Directors		
Criminal	3[*]	5,000
Cases against the Promoter		
Criminal	1	-
Action by regulatory/statutory authorities	-	-
Disciplinary action including penalty imposed by SEBI or stock exchanges	1	-
Tax proceedings	11	327.43
Material civil litigation	2	-

Type of Proceedings	Number of cases	Amount**
Total	15	327.43
Cases by the Promoter		
Material civil litigation	1	950
Cases against our Group Companies that may have a material impact on the Company		
Outstanding litigation that may have a material impact on our Company	64	10,930.24
Total	64	10,930.24

** One of the three cases mentioned above involves three of our Directors namely, Chhaya Virani, Jai Anmol Ambani and Rajendra Chitale.*
*** Does not include any penalty or interest that may be levied. We have not made any provisions in our financial statements with respect to litigation pending against our Company, except to the extent of the outstanding material civil litigation against the Company arising out of insurance claims, in accordance with the approach towards claims incurred provided in the sub-section titled "Financial Statements - Annexure V: Summary of Significant Accounting Policies and Notes to Accounts" on page 247.*

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" beginning on page 354.

Risk Factors

Please see "*Risk Factors*" beginning on page 21.

Summary of Contingent Liabilities of our Company

As of September 30, 2018, our capital and other commitments (contingent liabilities) not provided for in our Restated Financial Information are as follows:

(in ₹ million)

Particulars	As on September 30, 2018
Statutory demands/liabilities in dispute, not provided for	549.50
Claims, other than those under policies, not acknowledged as debt	10.53
Guarantees given by or on behalf of the company	12.49
Others	13.93
Total	**586.45**

For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Outstanding Litigation and Material Developments*" and "Financial Statements" on page 323, 354 and 234, respectively.

Summary of Related Party Transactions

(₹ in million)

Particulars	Six months ended September 30,		Fiscal		
	2018	2017	2018	2017	2016
Brokerage	0.10	0.08	0.10	0.14	0.04
Claim Paid	-	1.58	1.95	0.58	100.89
Commission paid	4.47	0.06	4.29	2.77	-
Creditors	16.20	-	2.30	2.57	16.42
Debtors	0.90	73.44	0.97	1.04	0.83
Dividend Paid	125.78	62.89	62.89	-	-
Foreign Currency Purchased	-	-	-	-	0.95
Group Term Insurance Paid	1.10	0.34	8.33	7.75	7.72
Insurance Commission Expense	-	-	-	0.03	88.87
Interest Accrual on Debenture	118.00	125.29	251.39	245.02	229.89
Management fees Paid	30.00	30.00	60.00	60.00	60.00
Outstanding balance in Customer Deposit A/c	6.83	10.90	44.31	42.78	24.59
Payment for IDC Charges	-	3.93	3.93	9.30	18.05
Payments towards information and technology services	-	-	-	-	0.67
Premium Received (net of refund)	151.72	145.61	179.78	221.30	163.44
Redemption of debentures	200.00	350.00	600.00	-	-
Reimbursement paid for expenses	22.75	21.27	43.27	145.94	61.70
Reimbursement received for expenses	0.48	52.33	69.07	9.67	12.98
Remuneration	13.70	33.70	47.40	42.40	38.40
Sale of Fixed Assets	0.12	0.75	1.05	-	-

Particulars	Six months ended September 30,		Fiscal		
	2018	2017	2018	2017	2016
Share Capital	-	-	-	900.00	-
Transaction of purchase of security	-	-	161.43	-	-

For details of the related party transactions as reported in the Restated Financial Information, see *"Financial Information – Schedule and notes to accounts to Restated Financial Information - Note 35"* beginning on page 271.

Financing Arrangements

There have been no financing arrangements whereby our Promoter Selling Shareholder, directors of the Promoter Selling Shareholder, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoters Selling Shareholder in the one year preceding the date of this Draft Red Herring Prospectus

Our Promoter Selling Shareholder has not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

Average Cost of Acquisition

The average cost of acquisition per Equity Share by our Promoter Selling Shareholder, namely, Reliance Capital is ₹ 73.03. The average cost of acquisition per Equity Share has been arrived by dividing the total amount invested by the Promoter by the total number of Equity Shares.For further details, see "*Capital Structure*" on page 75.

Details of pre-Offer Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split / Consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, or the industry and segments in which we currently operate in India. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If anyone or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to extensive regulatory requirements that may differ significantly from one jurisdiction to another.

In making an investment decision, prospective investors must rely on their own examinations of us and the terms of the Offer, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Equity Shares. For further details, see "*Our Business*" *and* "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" *on pages* 145 *and* 323*, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.*

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see "*Forward-Looking Statements*" *on page* 16*.*

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Information.

INTERNAL RISK FACTORS

1. ***Our loss reserves are based on estimates as to future claims liabilities and could be inadequate. If our loss reserves are determined inadequate, we would be required to make provisions for additional reserves which in turn could adversely affect our financial condition and results of operations.***

   We are required to establish a liability in our accounts for the unpaid portion of ultimate costs (including loss adjustment expenses) of claims that have been 'incurred but not reported' ("**IBNR**") and 'incurred but not enough reported' ("**IBNER**") as at the end of each reporting period.

   There are several possible methods for the determination of this ultimate cost. The method most appropriate in a particular case will depend on the nature of the business and the claims development pattern. The provisions for IBNR and IBNER are calculated separately for each year of occurrence and are aggregated to arrive at the total amount to be provided, by line of business. Our methodology is consistent with regulatory guidelines, which do not permit discounting of reserves or negative provisions for any particular year of occurrence.

   The process of establishing the liability for unpaid losses and loss adjustment expenses is complex, as it takes into consideration many variables that are subject to the outcome of future events. Reserves do not represent an exact calculation of liability. Reserves represent estimates, generally involving actuarial projections at a given time, of what we expect the ultimate settlement of claims will cost. Estimates are based on assessments of known facts and circumstances, assumptions related to the ultimate cost to settle such claims, estimates of future trends in claims severity and frequency, changing judicial pronouncements, and other factors. These variables are affected by both internal and external events, including changes in claims handling procedures, economic inflation, unpredictability of court decisions, risks inherent in major litigation and legislative changes. Many of these items may not be directly quantifiable particularly on a prospective basis. As a result, informed subjective estimates and judgments about our ultimate exposure to losses are an integral component of our loss reserving process. Significant reporting lags may exist between the occurrence of an insured event and the time it is actually reported. We adjust our reserve estimates regularly as experience develops and further claims are reported and settled.

Due to the inherent uncertainty in estimating reserves for losses and loss adjustment expenses, we cannot give any guarantee that the ultimate liability will not exceed amounts reserved. If our estimated reserves are inadequate this could affect our liquidity and financial condition, requiring us to raise funds. There is also no guarantee that we would be able to raise such funds on favourable terms or at all, which could jeopardize our solvency.

A significant proportion of our reserves are for motor third-party liability, which tend to involve longer periods of time for the reporting and settlement of claims. In addition, the reserves related to motor third-party insurance are made on an estimated basis prior to a claim being filed. This differs from the approach taken in respect of other business lines, where reserves are created when a claim is reported. The additional uncertainty resulting from the larger number of assumptions and the time period for which such reserves are held increases the inherent risk and uncertainty associated with motor third-party loss reserve estimates.

One of the significant factors involved in estimating future claims liability is the effect of inflation on claims. The anticipated effect of inflation is implicitly considered when estimating liabilities for unpaid losses and loss adjustment expenses. Estimates of the ultimate value of all unpaid losses are based in part on the development of average paid losses, which reflects inflation. Inflation is also reflected in the case estimates established on reported open claims, which, when combined with paid losses, form another basis for the derivation of estimates of reserves for all unpaid losses. We also consider specific factors that may affect losses, such as changing trends in medical costs, minimum wages and other economic indicators, and changes in legislation and social attitudes that may affect the decision to file a claim or the magnitude of court awards. There is no precise method for subsequently evaluating the adequacy of the consideration given to inflation, since claim settlements are affected by many factors.

As a result of all the above, our loss reserves may not be adequate to meet our future claim liabilities, which could require us to make provisions for additional reserves and adversely affect our financial condition and results of operations.

2. Catastrophic events, including natural disasters, could increase our liabilities for claims by policyholders and result in an adverse effect in our results of operations or even losses in our investment portfolio.

Our fire and engineering, weather and crop, motor and health insurance businesses expose us to risks of liabilities for insurance claim payments relating to catastrophic events, which are covered by the insurance products that we make available to customers. Catastrophes can be caused by various natural hazards, including earthquakes, typhoons, floods, drought, storms, severe weather and fires. Catastrophes may also be man-made, such as terrorist attacks, explosions and industrial or engineering accidents. Certain catastrophes are covered by our insurance and are known as 'insurable catastrophes'. In addition, our health insurance business is exposed to the risk of catastrophes such as a pandemic or other event that causes a large number of hospitalizations. In particular, our weather and crop insurance business is exposed to the risk of catastrophic events as such events can have particularly significant effects on agricultural businesses. Neither the likelihood, timing, nor the severity of a future catastrophe or pandemic can be predicted. For example, in the financial year 2016, the city of Chennai and the surrounding region experienced severe floods, and in August 2018, the state of Kerala experienced severe floods leading to increased claims in such regions.

Catastrophes could also result in losses in our investment portfolio, due to, among others, the failure of our counterparties to perform their obligations or significant volatility or disruption in the financial markets, in turn resulting in absolute losses as well as decreases or delays in investment income. We have experienced, and are likely to in the future experience, losses related to catastrophic events that could reduce our revenues and net profit. The extent of our losses from catastrophes is a function of their frequency and severity.

The frequency and severity of catastrophes covered by our insurance are inherently unpredictable. Although we establish reserves after an assessment of potential losses relating to catastrophes covered by our insurance that have taken place, there can be no assurance that such reserves would be sufficient to pay for all related claims.

In addition, although we enter into catastrophic reinsurance arrangements to reduce our catastrophe loss exposure, due to limitations in the underwriting capacity and terms and conditions of the reinsurance market as well as inherent difficulties in assessing our exposure to catastrophes, such reinsurance may not be sufficient to adequately cover our losses.

We purchase reinsurance coverage based on probable maximum loss ("**PML**") amounts which are calculated internally based on our experience and are lower than the sum assured, for each policy we write. If our estimates of PML are incorrect or if there is a loss in excess of the corresponding PML amount, we would have inadequate reinsurance coverage and may suffer losses.

In addition, we may be unable to purchase a reinstatement for catastrophic reinsurance at acceptable prices in a hardening reinsurance market, or at all, after the occurrences of severe catastrophes, which would expose us to losses in case of future catastrophes in the same policy period. Also, we may be unable to obtain adequate reinsurance in future years for multi-year products that we offer. Certain emerging claim areas, like business interruption and cyber security, also may not have adequate reinsurance available. If we do not have adequate reinsurance coverage and a catastrophe occurs our losses could be particularly significant.

As a result of all of risks mentioned above, if catastrophic events covered by our insurance occur with greater frequency and severity than has historically been the case, or multiple catastrophic events occur in a year, claims arising therefrom could reduce our results of operations or even losses in our investment portfolio.

3. We, some of our Directors, our Promoter and certain Group Companies are involved in certain legal and other proceedings.

We, some of our Directors, our Promoter and certain Group Companies are currently involved in a number of legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters and actions by regulatory/statutory authorities, in terms of the SEBI ICDR Regulations and the Materiality Policy, involving us and our Directors, our Promoter and Group Companies as at the date of this Draft Red Herring Prospectus have been set out below, where an adverse outcome could materially and adversely affect our business, financial condition and results of operations.

I. Litigation involving the Company

(₹ *in million*)

S. No.	Nature of litigation	Number of cases	Approximate amount involved*
	Criminal proceedings against the Company	1	-
	Criminal proceedings by our Company	73	-
	Outstanding action by regulatory/statutory authorities	1	-
	Tax proceedings	20	1,256.38
	Material civil litigation against our Company	7	1,492.14
	Material civil litigation by our Company	3	468.44

* *Does not include any penalty or interest that may be levied. We have not made any provisions in our financial statements with respect to litigation pending against our Company, except to the extent of the outstanding material civil litigation against the Company arising out of insurance claims, in accordance with the approach towards claims incurred provided in the sub-section titled "Financial Statements - Annexure V: Summary of Significant Accounting Policies and Notes to Accounts" on page* 247.

II. Litigation involving the Directors

(₹ *in million*)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
	Criminal proceedings against our Directors	3*	5,000
	Action by regulatory/statutory authorities	-	-
	Tax proceedings	-	-
	Material civil litigation	-	-

**One of the three cases mentioned above involves three of our Directors namely, Chhaya Virani, Jai Anmol Ambani and Rajendra Chitale.*

III. Litigation involving the Promoter

(₹ *in million*)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
	Criminal proceedings against the Promoter	1	-
	Action by regulatory/statutory authorities	-	-
	Disciplinary action including penalty imposed by SEBI or stock exchanges	1	-
	Tax proceedings	14	327.43
	Material civil litigation against the Promoter	2	-
	Material civil litigation by the Promoter	1	950

IV. Litigation involving Group Companies

(₹ *in million*)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
	Summary of outstanding litigation that may have a material impact on the Company	64	10,930.24

Additionally, we are often subjected to policyholders' complaints and lawsuits, including criminal complaints against us and our employees as well as public interest litigations. Such lawsuits are costly to defend against and can materially affect our financial condition, even if we are successful in defending them or effectively redress such complaints. Such lawsuits include proceedings as part of the claims process wherein, in the event of an unfavorable outcome, our ultimate liability may be significantly high, especially in respect of claims made under our motor third-party liability policies, for which liability is unlimited.

If we are unsuccessful in defending these suits or settling these complaints or disputes, we may have to pay significant damages or receive lesser premium after adjustment of any penalties imposed. Even if we are successful in defending them, our reputation could be materially harmed. We are also exposed to the risk of complaints and/or litigation being filed by customers, which may result in adverse publicity or direct financial losses due to actual or purported breaches of promise or wrongful denial of claims. We cannot provide any assurance that such complaints or suits will be decided in our favor. In addition, even if we are successful in defending such cases, we will be subject to legal and other costs relating to such litigation and complaints, and such costs could be substantial. Further, we can give no assurances that similar proceedings or complaints will not be initiated in the future. If any of the above scenarios were to occur, they could materially and adversely affect our business, results of operations, financial condition, prospects and our reputation. Further, even if we take steps to maintain an effective grievance redressal system, in relation to our policyholders' complaints, denial and repudiation of claims, and fraud by our employees and agents, we may not be able to effectively redress such complaints in a timely manner, which could adversely affect our financial condition and results of operations.

4. ***If we do not meet solvency ratio requirements, we could be subject to regulatory actions and could be forced to stop transacting any new business or change our business strategy which could have an adverse effect on our business and results of operations.***

Under the Insurance Act, every insurer is required to maintain (at all times) an excess of value of assets over the amount of liabilities of, not less than 50% of the amount of minimum capital as prescribed therein. IRDAI further specifies a level of solvency margin known as control level of solvency on the breach of which IRDAI may take action as prescribed therein (including requiring such insurer to submit a financial plan to IRDAI, indicating a plan of action to correct the deficiency within a specified period not exceeding six months). The control level of solvency specified by IRDAI is the minimum solvency ratio of 1.50 times. The control level of solvency of the Company as on September 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 are 1.71 times, 1.68 times, 1.68 times and 1.55 times, respectively.

If our share capital and profit do not continue to support the growth of our business in the future, or if the statutorily required solvency margin increases, or if our financial condition, including quality of assets or results of operations deteriorate, or for other reasons we cannot comply with the statutory solvency ratio requirements, we may need to raise additional capital in order to meet such requirements.

Our ability to obtain additional capital from external sources in the future is subject to a variety of uncertainties, including but not limited to, our future financial condition, results of operations, cash flow, Government regulatory approvals, changes in regulations relating to capital raising activities, our credit rating, general market conditions for capital raising activities, and other economic and political conditions in and outside India. As a result of any of these factors or any others, we may not be able to obtain additional capital in a timely manner, on favorable terms or at all.

The solvency regime that applies to us is different from those of other countries. Therefore, our solvency ratio might not be comparable to that of insurance companies in other countries with which an investor in the Equity Shares might be familiar. Our capital requirement is determined through the framework prescribed in the Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016 (the "**ALSM Regulation**"). As per the Insurance Laws (Amendment) Act 2015, insurance companies licensed to operate in India are required to maintain a control level of solvency at all times. The solvency margin is determined by dividing available solvency margin by required solvency margin.

The present framework of determination is a factor-based approach with factors and computational methodology prescribed in the ALSM Regulation. However internationally, there is a concerted movement by regulators to move away from a factor-based approach to a risk-based approach for the determination of an insurance company's capital. Any such shift by the IRDAI to adopt a risk-based approach, could potentially affect our capital requirements and consequently our capital position, which in turn could lead to the need for a capital infusion. We cannot assure you that we will be able to obtain such capital infusion on terms we consider fair, or at all, and the failure to obtain such capital infusion can lead to our being required to stop transacting any new business or change our business strategy.

5. ***A significant portion of our business comes from working with the Government which subjects us to risks which could result in non-payment or delayed payments, litigation, penalties and sanctions including early termination, suspension and removal from the approved panel of insurers.***

In the half year ended September 30, 2018 and the financial year 2018, 34.3% and 29.1% of our GDPI, respectively, was derived from Government programs, in relation to weather and crop, health and personal accident insurance. These programs present a number of risks, including:

- delayed or non-payment of obligations by the central and state Governments, due to funding issues or otherwise;
- changes to Government policies or regulations;
- risks inherent to Government tenders such as lower pricing, long tender process and uncapped damages;
- investigations by various law enforcement agencies upon allegations of misconduct or irregularities;

- the ability of competitors to protest tender awards;
- civil and criminal actions and penalties, including regulatory sanctions, due to non-adherence to the terms of the contract;
- termination of contracts, forfeiture of profits, suspension of payments, fines and removal from the approved panel of insurers due to non-adherence to terms of the contract;
- complaints and other legal proceedings filed by beneficiaries of such Government programs;
- increased damage to reputation and possible active involvement of civic representatives, including on account of repudiation of claims, due to publicity of such programs by media;
- any penal action effected in one product or jurisdiction may affect or have consequences on other products or jurisdictions; and
- restrictions on bidding for future tenders.

An adverse decision against us in any of these proceedings may result in additional litigation which may have a significant effect on our reputation or require a large payment affecting our financial condition.

As of September 30, 2018, the outstanding premium receivable for a period greater than 90 days from the Government was ₹ 270.23 million. If the premium is not received from the Government, we may be required to make provisions on account of non-receipt of such receivables.

In the course of our business, we are party to contracts with Government and participate in various Government undertakings such as Government-sponsored insurance programs. In all such insurance programs, the Government may initiate investigations or enquiries against any insurer as a consequence of complaints or allegations of any irregularity or performance of such insurer, and as a result, the Government may prohibit the insurer from participating in such Government contracts partially or fully. We have, in the past, been subject to certain such prohibitions. For instance, our Company, pursuant to an order dated March 14, 2017 passed by the Director, Health Services, Chhattisgarh ("**Order**") read with order dated October 7, 2017 passed by the Government of Chhattisgarh, has been restrained from participating in the Rashtriya Swasthya Bima Yojana and Mukhyamantri Swasthya Bima Yojana schemes for a period of three years in the state of Chhattisgarh. For details in relation to such matters that remain outstanding, see "*Outstanding Litigation and Material Developments"* on page 354.

As long as we are involved in insuring assets and other works of the Government or participating in Government-sponsored insurance programs, we are exposed to such prohibitory, debarment or restraining orders either for limited period or permanently.

6. There is significant competition in our industry and we may not be able to compete successfully with our competitors which may adversely affect our market share and results of operations.

We face significant competition from other insurers in the insurance markets in India (from established insurers as well as new entrants to the market). Such competitors currently offer or may in the future offer the same or similar products and services as we do. Many of our competitors may have greater financial resources, longer track record of profitability, more reliable, more varied or larger distribution networks (such as our competitors who are promoted by banks or financial institutions who have an advantage in their connections to distributors of bancassurance and related insurance products) or greater access to resources than we do. The targeting of, the markets in which we operate, particularly the motor insurance market, by insurers with greater financial resources, better brand recognition, greater pricing flexibility or risk tolerance, more advanced technological distribution platforms than us could adversely affect our ability to obtain new, or retain existing, customers, which would negatively affect our market share and results of operations.

If we are unable or are perceived to be unable to compete effectively in our core insurance markets or products, our competitive position may be adversely affected. In particular, competitive pressures may, among other things, compel us to reduce prices, which may adversely affect our operating margins and, where there is no commensurate reduction in expenses, may adversely affect our net profit, or reduce our market share.

7. ***We may not be able to attract or retain our agents who are our main third-party distributors which could have a material adverse effect on our business, financial condition, results of operations and prospects.***

Outside of our direct sales, the main distribution method we use is distribution through individual agents, corporate agents and brokers. For the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, 55.1%, 57.0%, 54.9% and 73.1% respectively, of our GDPI was sourced from third party distributors. We compete with other insurance companies and similar financial institutions to attract and retain the services of such distributors. Our success in attracting and retaining such distributors depends upon factors such as remuneration, the range of our product offerings, pre and post-sale support, our reputation, our perceived stability, our financial strength, and the strength of the relationships we maintain with such distributors. If we fail to attract or retain such distributors, we could experience a significant decline in our ability to sell and market our products and therefore generate GDPI.

Recruitment, training and deployment of agents demands and consumes considerable cost and effort. If we are unable to develop and maintain the pipeline of agents in a cost-effective manner, we could experience a significant decline in our ability to sell and market our products and therefore generate GDPI.

Under the IRDAI (Registration of Corporate Agents) Regulations, 2015 ("**Corporate Agent Regulations**"), any of our existing corporate agents may, subject to certain restrictions, act as a corporate agent of our competitors. Further, our corporate agents could sell a larger share of our competitors' products, which could have an adverse effect on our business, financial condition and results of operations.

Furthermore there are restrictions under the Corporate Agent Regulations that prevent corporate agents from acting for more than three general insurance providers. Competition for such relationships is therefore significant and we may not be able to generate new relationships or retain existing relationships on commercially reasonable terms, or at all.

8. ***We rely on selected types of insurance for most of our GDPI and profitability. Any decrease in the popularity or profitability of such products could have an adverse effect on our business, financial condition and results of operations and future prospects.***

We design and distribute a range of insurance products, including motor, weather and crop, fire and engineering, health, and marine insurance, as well as in other insurance business lines. The mix of insurance products that we offer to our customers through our multiple distribution channels affects our performance, as our capital requirements, pricing assumptions, level of reserves and profitability vary from product to product. Therefore, changes in our product mix for new business may affect our financial condition.

In the half year ended September 30, 2018, motor insurance, weather and crop, health, fire, and engineering insurance accounted for 41.0%, 25.9%, 20.6% and 8.8% of our GDPI, respectively, and in the financial year 2018, 49.0%, 23.3%, 15.4% and 8.6% of our GDPI, respectively. In the event regulatory changes or variations in consumer behavior lead to a decrease in the demand for, or profitability of any of these types of insurance, we might be significantly disadvantaged, as compared to other companies that are less dependent on such sectors for their business. Any such diminished performance in such sectors could have an adverse effect on our business, financial condition and results of operations. In addition, if we are unable to attract a sufficient market share of products in growing sectors, we may also not be able to continue to grow our business which may lead to a loss of our market position and therefore a reduction in GDPI.

9. ***We have adjusted accumulated losses of previous years against the securities premium account.***

Pursuant to a scheme of arrangement sanctioned by an order dated January 8, 2016 passed by the High Court of Bombay, our Company reduced its securities premium from ₹16,242.88 million to ₹8,054.80 million by utilizing such premium towards deficit in our profit & loss account for the financial year 2016. Our Company received approval from IRDAI on May 23, 2016 for the scheme. Further, our

Company has charged expenses amounting to ₹1.51 million incurred for the reduction of share capital to such profit & loss account as per directions received from IRDAI.

Our Company may, subject to applicable regulatory approvals, enter into such schemes, in the future, if required. There can no assurance that such schemes will be beneficial to the shareholders.

10. We may be unable to manage growth successfully which may have an adverse effect on our business, financial condition and results of operations.

We have experienced growth in our GDPI in the periods under review. Such growth has placed, and may continue to place, significant demands on our managerial, operational and financial resources. As part of our overall strategy, we may undertake investments, acquire certain businesses, assets and technologies, as well as develop new business lines, products and distribution channels. Such expansion of our business activities could require, among other things, the following:

- strengthening and expanding our risk management capabilities and information technology systems to effectively manage risks associated with existing and new lines of insurance products and services and increased marketing and sales activities;
- developing adequate underwriting and claims settlement capabilities;
- recruiting, training and retaining management, technical personnel and sales staff with sufficient experience and knowledge;
- managing our growing investment assets;
- developing new distribution channels, including digital platforms to expand capacity and improve productivity;
- maintaining consistent standards of actuarial reviews;
- compliance with existing or additional regulatory obligations;
- maintaining and developing the 'Reliance' brand and our reputation; and
- meeting the demand of an increased capital base and higher requirements for cost controls to satisfy the minimum solvency ratio requirements stipulated by the IRDAI and other capital needs.

We cannot assure you that we will be successful in managing our growth, if any, in the future. If we are not able to manage future growth successfully, our current business operations, reputation and relationships with existing customers could be damaged.

11. We are dependent on Reliance Capital Limited, our Promoter and the Reliance group for the goodwill that we enjoy in the industry.

Reliance Capital Limited holds 100% of our pre-Offer equity share capital. We believe that the goodwill of the Reliance group has a significant effect on our ability to attract customers, as individual retail general insurance is a relatively new industry in India, and potential customers are likely to consider a provider's reputation in their purchase decision. It is possible that the goodwill of the Reliance group may deteriorate for a wide variety of reasons, including many that are out of our control or are not related to our business, such as credit risk downgrades of companies related to the Reliance group, non-payment of debt opting for debt resolution plans at National Company Law Tribunal, such as the poor performance (or perceived poor performance), or negative customer or counter-party perception, of other entities in the Reliance group, or the markets or industries they operate in. For example, the board of directors of Reliance Communications Limited issued a media release on February 1, 2019 stating that Reliance Communications Limited will approach the National Company Law Tribunal for a comprehensive debt resolution in relation to its outstanding dues to its lenders. For further details, see disclosure number 1 under "*Outstanding Litigation and Material Developments-Litigation involving our Group Companies which may have a material impact on our Company - Reliance Communications Limited*" on page 362. In the event the goodwill of the Reliance group deteriorates for any reason, we may lose that ability to attract customers, which could lead to a reduction in our GDPI and increase our cost of capital.

12. The offering of weather and crop insurance products is subject to certain specific risks that could have an adverse effect on our business, financial condition, results of operations and future prospects.

We have substantially increased our weather and crop insurance business by insuring crop insurance under the Government of India's insurance schemes, which form part of the Government of India's stated policy of seeking to increase crop insurance protection to the level of 50% of India's cropped area by the financial year 2019.

We have not operated at this level of exposure in our weather and crop segment before, and this substantial growth in our weather and crop business exposes us to risks, losses, uncertainties and challenges that are particular to this segment. In particular, we may experience large losses in the event of a bad monsoon season or successive bad monsoon seasons, drought, flooding or other catastrophic events and risks facing India's weather and crop industry and crops. In addition, our actuarial information on risks may not allow us to adequately predict and reserve for losses under new Government programs. Furthermore, the allotment of positions as insurance providers under such schemes takes place through closed tenders, further limiting our ability to control exactly how we grow in this sector. There can also be no assurance that we will be able to manage our growth effectively as it relates to our substantial increase in the weather and crop insurance business.

In the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, we derived 25.9%, 23.3%, 27.7% and 4.0%, respectively, of our GDPI from weather and crop insurance products. We offer weather and crop insurance primarily under the Government of India promoted programs. We face risks in connection with our weather and crop insurance offering. These include:

- *Reduction in Government support:* The weather and crop insurance market has grown in the recent past on account of significant amendments in the structure of government promoted programs, which have encouraged the purchase of weather and crop insurance programs, including as a result of the inclusion of premium contributions made the Central Government, creating an upper limit on the premium contribution made by the beneficiary. If the Government reduces its support for the program, the market for weather and crop insurance could decline accordingly.

- *Reinsurance risk*: Weather and crop reinsurance is not yet as broadly available as other forms of reinsurance. Such reduced supply exposes us to the risk of having to pay higher prices for weather and crop reinsurance. In particular we currently purchase a significant amount of our weather and crop reinsurance from GIC Re, exposing us to the credit risk of GIC Re. Furthermore, as the weather and crop insurance market grows (including the scale of finance in that market) it is possible that GIC Re may be unable to take on further reinsurance and meet our reinsurance needs, due to lack of capacity for further weather and crop reinsurance. In this case, as a result of the lack of alternative providers in the domestic market, we may be required to purchase reinsurance from overseas providers, at rates that are not as beneficial as those provided by GIC Re. Further, certain Government promoted program tenders are often for tenures longer than one year, for example covering a specific number of seasons. In such cases, we risk having to agree to provide insurance without simultaneously arranged reinsurance for future years.

- *Reputation risk:* Certain Government programs are widespread, highly publicized, intensely scrutinized and receive significant media attention. Any dispute, accusation or litigation against us, even if unfounded, could lead to significant negative publicity and damage to our reputation and brand. For example, under the terms of the Pradhan Mantri Fasal Bima Yojana program (the "**PMFBY**") our liability with respect to the insured risk does not commence until we receive premium from both the relevant farmer and the Government. However, repudiation of any claim on the basis that receipt of such share of the premium from the farmer (who may not make payments until later in the season) may lead to negative publicity. Furthermore, the Government has recently heightened its scrutiny of its programs on a retrospective basis and any failure to respond or satisfy regulatory questions or requests for information or other demands could lead to negative publicity or legal or regulatory actions.

- *Tender-based award:* Government program insurance contracts are typically awarded on a tender basis by the states As such, we are unable to control the number of polices we are required to underwrite, or their distribution, due to the nature of the tender process. This can subject us to concentration risk and increased risk of losses in case of adverse weather conditions or catastrophes. In addition, competitors may contest tender awards making the process more expensive.

- *Selection and basis risk:* There has been a significant increase in our weather and crop insurance business over the past two financial years. As the market is both large and relatively new, we have limited data, upon which we are reliant for making assumptions, based on which we analyze the risk and pricing of providing such insurance. Such data may be insufficient or unreliable, and in addition, given that it has only been collected for a short period, it is likely to result in predictions that can be subject to more volatile changes following the collation of new data. Data has also not been collected from all appropriate regions or in a consistent or accurate manner, further limiting its effectiveness. In addition, the relevant Governments coordinating the programs also rely on such limited data in setting the terms of the tender. If we misprice risks or are unable to select preferable risks to underwrite, we may suffer significantly higher claims and a reduction in profitability.

- *Non-payment/delay in payment:* A major portion of the premium received for the weather and crop policies is borne by the Government. While Government program guidelines typically provide for the early settlement of such premium upon receipt of invoices by the Government, in practice, there have been delays in payment of such premiums. In addition, there is a risk of non-payment of such receivables in the case of a dispute between us and the Government.

- *Potential for higher claims and disputes:* For certain Government programs, claims are determined by yield data in crop cutting experiments ("**CCEs**"). CCE's are operationally demanding and detailed projects that include high levels of manual input and as such prone to errors. If CCEs are not conducted as prescribed by the Government, or if CCE data is inaccurately captured or incomplete, it can lead to higher claims and disputes. For other Government programs, claims are paid based on weather data automatically collected by third parties.

- *Compliance issues:* As the majority of purchasers of insurance under the PMFBY are borrowers of regional or rural banks, and the PMFBY scheme mandates coverage for all such borrowers, we are required under the program to rely on such banks for know your customer requirements. The internal controls and standards of such banks are not uniform, and we may be required to underwrite policies for customers relying on such internal controls and standards.

- *Fraud risk:* We may face fraud in the form of incorrect enrolment of a beneficiary who does not qualify for the relevant Government scheme, fraud by collusion of intermediaries, and errors of diligence by banks when they issue loans which are linked to such weather and crop insurance.

- *Political risks*: Government programs such as the PMFBY are social welfare programs involving a sizeable number of farmers. The involvement and activism of local civic representatives, especially in the claims process, cannot be ruled out and could affect the level of claims payments.

- *Tax risks*: The PMFBY program is exempted from erstwhile service tax and the GST. Since such programs are exempted from taxation, we are required to disallow certain indirect tax credits in relation to our weather and crop insurance business. Any growth in our weather and crop insurance segment in the future is likely to reduce the tax credits available to us which would affect our total profitability.

- *Cyclicality:* The weather and crop insurance business in India is subject to cyclical variations in revenue, and we receive the majority of our GDPI from the weather and crop segment in the second and third quarters of the financial year, coinciding with the two main crop seasons of the year, kharif and rabi. If our weather and crop business does not perform well in those periods it is unlikely it will recover in the other periods of any financial year.

13. The offering of health insurance products is subject to certain specific risks which could have an adverse effect on our business and results of operations.

In the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, we derived 20.6%, 15.4%, 8.7% and 19.2%, respectively, of our GDPI from health insurance products. We face certain risks in connection with our health insurance offering, including:

- losses due to misrepresentations of pre-existing conditions by customers;
- losses due to errors in pricing or our inadequate underwriting;
- losses due to fraud by customers and other third parties; and
- additional payments that we may have to make due to our inability to meet certain service level guarantees provided by us.

Additionally, under the Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016, as amended, health insurance policies are ordinarily renewable except on grounds of fraud, moral hazard or misrepresentation or non-cooperation by the insured, provided the policy is not withdrawn.

All these factors may result in increased liabilities and difficulty in pricing our health insurance products which in turn could affect our business and results of operations.

14. There may be changes in the regulation of motor insurance or demand for motor vehicles in India, which could adversely affect our business and results of operations.

In the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, we derived 41.0%, 49.0%, 49.9% and 59.5%, respectively, of our GDPI from motor vehicle insurance products. This has largely been driven by the continued growth in consumer demand for motor vehicles in India. There can be no assurance that such growth in consumer demand for motor vehicles in India will continue in the future. As a result of adverse changes in consumer demand for motor vehicles in India or any unfavorable change in Government policies which may affect such demand, the GDPI derived from motor vehicle insurance products could be lower than our expectations. This could have an adverse effect on our business.

Under the Motors Vehicles Act, 1988, as amended, there is a requirement for every person who uses (except passengers) or causes or allows any other person to use a motor vehicle in public, to purchase motor vehicle third-party liability insurance. If there is any change in this requirement, the demand for third-party motor insurance may decline, which could have an adverse effect on our business and results of operations as this product line contributed to 22.1% and 25.4% of our GDPI in the half year ended September 30, 2018 and the financial year 2018, respectively.

Further, the premiums for such insurance are set by the regulations laid down by IRDAI every year based upon new data with respect to actual claim payouts and there is no maximum liability cap set for such claims. If the premiums paid are lower than the actual claim payouts, or if we suffer a large claim that we have not adequately reserved for, we may suffer net losses in respect of such insurance policies.

Third-party liability claims in respect of motors vehicles are not subject to any period of limitations, so we may suffer claims significantly after the occurrence of the purported incident, making investigation of any such claim more difficult. Additionally, the Motor Vehicle (Amendment) Bill, 2016 (the "**Motor Vehicle Amendment Bill**"), has been passed by the Lok Sabha on April 10, 2017 and is pending before the Rajya Sabha. The Motor Vehicle Amendment Bill could have an adverse effect on our motor insurance business and our business and results of operations. For example, the bill currently includes provisions for, *inter alia,* survival of the right to claim beyond the death of the injured, in favour of their relatives, and cap in the percentage increase in the premiums for certain categories of cars. Further, third-party liability claims in respect of motor vehicles are calculated based on principles laid-down by the courts in India, which have and may change from time to time. Any modification of these principles which are onerous to the insurer may, in addition to increasing our exposure going forward, also affect our liability on our outstanding claims.

The Insurance Laws (Amendment) Act, 2015 was notified on March 23, 2015, mandating insurers to complete a certain minimum motor third-party insurance business in the manner to be specified by IRDAI. In compliance with the said amendment in the Insurance Act, the IRDAI issued the Insurance Regulatory and Development Authority of India (Obligation of Insurer in Respect of Motor Third-Party

Insurance Business) Regulations, 2015 which specified that insurers underwrite minimum obligations in respect of motor third-party business. Hence, IRDAI dismantled the Indian Motor Third-party Declined Risk Pool (the "**IMTPDRP**") effective from April 1, 2016. However, IRDAI may again set up a third-party insurance pool and we may be forced to assume some of such risk, which could have an adverse effect on our financial condition and results of operations.

15. Our reputation may be adversely affected by any negative publicity or market perception regarding our operations which may have an adverse effect on our business, financial condition and results of our operations.

Our business is significantly dependent on the strength of our brand and reputation, as well as market perception regarding our operations. While we have developed our brand and reputation over our history, any negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity, or attract regulatory investigations or litigation. The high level of media scrutiny and public attention that the insurance sector is subjected to, together with increasing consumer activism in India, has significantly increased the risk of negative publicity that may affect our reputation or the reputation of the insurance industry in general.

Litigation, employee misconduct, operational failures, regulatory investigations, press speculation and negative publicity, whether actual, unfounded or merely alleged, could damage our brand and our reputation and confidence of customers. Our brand and reputation may also be adversely affected if the products or services recommended by us (or any of our employees, agents or other intermediaries) do not perform as expected by the customers (irrespective of whether such expectations are legitimate or reasonable), or if there is a change in customers' expectations from the relevant insurance product.

Negative publicity could be based, for instance, on allegations that we have failed to comply with regulatory requirements or result from failure in business continuity or the performance of our information technology systems, loss of customer data or confidential information, unsatisfactory service levels or insufficient transparency in product terms and administration of claims. Furthermore in the past there have been attempts by individuals unconnected with us, to fraudulently sell our insurance products to customers, in order to collect the premium on the issue of the supposed policy. It is possible that the success or attempt of such frauds, illegally using our branding and or logo, may damage our reputation and perceived trustworthiness.

Any damage to our brand or our reputation may result in withdrawal of business by our existing customers or our intermediaries as well as loss of new business from potential customers and arrangements with new agents and other intermediaries. Furthermore, negative publicity may result in an increase in regulatory scrutiny of industry practices as well as an increase in claims litigation, which may further increase our costs of doing business and affect our profitability. Negative publicity may also influence market perception of our business and affect our ability to maintain our credit ratings. Accordingly, any adverse effect on our brand and reputation may have an adverse effect on our business, financial condition and results of our operations.

16. Our business and reputation is vulnerable to misconduct and fraudulent activities.

We have in the past been subject to, and expect to continue to be subjected to, fraudulent activities by employees, customers and third parties. Although we maintain a system of internal controls to monitor, detect and prevent fraud, there can be no assurance that we will not suffer significant losses due to fraudulent activities.

While we insist on collection of premium through "non-cash" modes such as cheques, bank drafts, electronic fund transfers and similar means, premiums on our products may also be collected in cash by our employees, agents or other intermediaries. This makes us vulnerable to misappropriation and breach of trust by our employees, agents and other intermediaries. In cases where we compensate the customer for any loss of such premium, we may be unable to recover any such amounts from such employee, agent or other intermediary, leading to losses for us. For example, in the past, our employees, agents or other intermediaries have issued fake policies to our customers in lieu of cash premium.

We are also required to enroll beneficiaries in various Government-sponsored insurance programs where the business is awarded on the basis of winning a tender. The enrolment activity is usually required to be completed in a time-bound manner. Due to the scale of these insurance programs and the time frame involved in the enrolment process, we may be compelled to work with intermediaries. This could give rise to cases wherein the intermediaries could erroneously or fraudulently enroll the wrong beneficiaries resulting in us being held liable for mis-selling.

In addition, our sales intermediaries have direct contact with our customers and have knowledge of their personal and financial information. This contact exposes our clients to various forms of possible misconduct, including unethical and illegal sales practices, fraud, identity theft, breach of confidentiality and loss of personal information. Any such misconduct could have an adverse effect on our business and reputation.

We are also exposed to fraudulent activities by our customers and third parties. We may be the victim of fraud by our customers. While we have a claim fraud detection mechanism, we cannot assure you that we will be able to prevent or detect all fraud committed against us. In the past, we have been subjected to various types of fraud by our customers, including, the presentation of fake death certificates (for accidental death), the presentation of fake driving licenses in settlement process of motor insurance claims, claims of theft after a sale of the property by the customer, suppression of pre-existing conditions at the time of policy issuance, arson on insured property, use of false identities and making of false claims.

If we are unable to detect or prevent fraudulent activities, we may suffer significant losses that we are unable to recover. In addition, if we are able to recover our losses, any such fraud may still cause significant harm to our reputation.

17. We may not be able to grow our business, maintain our market position, develop new products or expand our target markets which may have an adverse effect on our business, financial condition, results of our operations and future prospects.

Our GDPI has increased at a compound annual growth rate ("**CAGR**") of 34.8% to ₹50,690.79 million in the financial year 2018 from ₹27,916.55 million in the financial year 2016. Our net profit after tax has increased to ₹1,650.03 million in the financial year 2018 from ₹1,008.53 million in the financial year 2016. The general insurance business in India has grown significantly in recent years and may continue to do so. If we are not able to grow our business at the same rate as the industry grows, due to competition from other market participants or otherwise, we may not be able to maintain our market position.

Our growth also depends on our ability to develop new products and product add-ons and extensions, expanding in target markets and consumer segments. It is possible that we may not be able to develop such new products or that the products we do launch may not generate sufficient interest and therefore anticipated returns. Business models may not succeed in the market and technological and other costs incurred towards automating and developing new customer-friendly interfaces may not yield desired results and therefore increases our expenses without commensurate increases in revenues. In addition, we endeavour to maximize our cross-selling across our products and there is no guarantee that we will be able to do so.

Expansion in new markets could also lead to a change in existing risk exposures, and the data and models we use to manage such exposures may not be as sophisticated or effective as those we use in existing markets or with existing products. This, in turn, could lead to losses in excess of our expectations.

If we are unable to maintain our market position as a result of such failures, we may also not be able to retain our existing market share or customers as our reputation and market presence may decrease in comparison to that of our competitors, allowing them to attract our existing customers. Such decrease in our customer base could lead to a decrease in our GDPI and our ability to generate profit. In addition, if our attempts to maintain our market position result in increased losses this may affect our results of operations.

18. Consumer attitudes towards insurance could change which may have an adverse effect on our business, financial condition and results of our operations.

Our business and profitability are affected by our customers' attitudes towards insurance, which is a key factor affecting the performance of the general insurance industry in India. Customer attitudes towards insurance depends on various factors, including general economic conditions in India, reputation of the Indian general insurance industry in general, the risk appetite of our customers, concessionary tax regulations and perceptions of the quality of customer service. If there is an adverse shift in consumer attitudes towards general insurance, our growth and existing customer base could be restricted.

In particular, in the recent past, certain Government-promoted institutions, and certain large corporations have begun foregoing the purchase of general insurance in favor of retaining certain risks. If this trend continues, or accelerates, it could reduce our GDPI.

19. There may be failures of or inadequacies in our information technology systems which may have an adverse effect on our business and results of our operations.

Our business depends heavily on the ability of our information technology systems to assist in marketing and sales and to process and administer a large number of policies written across numerous product lines. In particular, our products and processes have become increasingly complex and the volume of policies written continues to increase. In the financial year 2018, 98% of our policies we issued, respectively, were processed electronically.

The proper functioning of our financial controls, accounting, customer database, customer service and other data processing systems, including those relating to underwriting and claims processing functions, actuarial and risk management, together with the communications systems linking our headquarters, branches, sales and service outlets and main information technology centers, is critical to our operations and to our ability to compete effectively. Our business activities would be disrupted in the event of a partial or complete failure of any of these information technologies or communications systems. These failures could be caused by, among others, hardware failure, software program errors, computer virus attacks, internet failure, conversion errors due to system upgrading or system relocation, failure to successfully implement ongoing information technology initiatives, human errors, natural disasters, war, terrorist attacks, blackouts and unanticipated problems at our existing and future facilities. Many of these events are wholly or partially outside of our control.

Similarly, our development and testing systems are housed on the public cloud infrastructure provided by a leading service provider. An entire range of nonproduction applications including our email systems are also on a cloud platform provided by the same provider. Any disruptions to the service provider could have a severe effect on our operations.

Delays, system failures or other accidents may also occur during system upgrades or introduction of new systems. In addition, upgraded or new information technology systems may not be able to achieve the projected processing capacity and availability, and may also not be able to meet the needs of our business scale and business growth in the future. Our failure to address these problems promptly, including any delay in the implementation of any upgraded or new information systems, could result in our inability to perform, or prolonged delays in performing, critical business operational functions, the loss of key business data.Were any such failures to occur it could affect our ability to execute policy requests, service customers or third parties (including agents) and as such may damage our business and results of operations.

20. Our Promoter is involved in a venture that may operate in similar lines of business as us and one of our Director is also on the board of directors of such venture. In the event of a conflict of interest, our Promoter and our Director may favour the interests of such venture over our interests.

Our Promoter, Reliance Capital Limited is also the promoter of Reliance Health Insurance Limited, which is involved in the health insurance business exclusively, including accident and travel insurance. The IRDAI permits general insurance companies and health insurance companies to offer products with health insurance features. While Reliance Health Insurance Limited intends to primarily focus on the sale of its products to retail customers, we intend to focus on group health insurance, Government health insurance and other ancillary areas. However, we also have a retail customer base and consequently retail products being offered by Reliance Health Insurance Limited in the market may adversely affect the renewals of our existing retail insurance policies. Further, we cannot assure you that Reliance Health Insurance Limited will not offer health insurance products in our geographical markets or to our customer base, which could create a potential conflict of interest for our Promoter. One of our Director, Jai Anmol Ambani is also a director on the board of Reliance Health Insurance Limited. Though he has undertaken to recuse himself and abstain from any discussion and/or voting in respect to any resolution (in any board meeting or committee meeting or otherwise) which can construed to create any conflict of interest in respect to any decisions to be taken in respect of our Company and Reliance Health Insurance Limited, we cannot assure you that our Directors will not compete in business in which we are already present or will enter into in the future. Due to such conflicts of interest, our Promoter and Director may make decisions which may not be in the best interests of our shareholders and adversely affect our business, results of operations and financial condition.

21. One of our joint auditors are subject to a SEBI order dated January 10, 2018, as modified by an order of the Securities Appellate Tribunal ("SAT") dated January 19, 2018, a further order of the SAT dated February 15, 2018 ("SAT order 2") and the order of the Supreme Court of India dated December 7, 2018 that may hinder their ability to issue certificates in respect of our Company pending final adjudication of their appeal(s).

On January 10, 2018, SEBI passed an order (the "**SEBI Order**") against entities and firms practicing as chartered accountants in India under the brand and banner of Price Waterhouse (together, "**PW Entities**"), which includes our auditors. The SEBI Order related to alleged violations by PW Entities in connection with audit services provided to Satyam Computer Services Limited ("**SCSL**"), the chairman of whom in 2009 admitted and confessed to large scale financial manipulations in the books of account of SCSL. The SEBI Order provided, among other things, that:

- entities/firms practicing as Chartered Accountants in India under the brand and banner of PW, shall not directly or indirectly issue any certificate of audit or listed companies, compliance of obligations of listed companies and intermediaries registered with SEBI and the requirements under the SEBI Act, the SCRA, the Depositaries Act, those provisions of the Companies Act which are administered by SEBI under Section 24 thereof or the rules, regulations and guidelines made under those Acts which are administered by SEBI for a period of two years; and

- listed companies and intermediaries registered with SEBI shall not engage any audit firm forming part of the PW network, for issuing any certificate with respect to compliance of statutory obligations which SEBI is competent to administer and enforce, under various laws for a period of two years.

While the SEBI Order came into force with immediate effect on January 10, 2018, it provided that in order to remove operational difficulties, the SEBI Order will not impact audit assignments relating to the Fiscal 2017-18 already undertaken by the firms forming part of the PW network.

On January 19, 2018, basis appeals filed by PW Entities, the SAT passed an order ("**SAT Order 1**") clarifying that the SEBI Order will not impact assignments in respect of existing clients already undertaken by PW Entities in respect of Fiscal 2018, and that PW Entities would complete certification work with them as on the date of SAT Order 1. Moreover, the SAT directed PW Entities to give a list of existing clients to the SAT and SEBI; our Company was included in that list.

On February 15, 2018, the SAT passed an order ("**SAT Order 2**") extending the cut-off date mentioned in the SEBI Order to March 31, 2019 or until a newly constituted bench of the SAT takes an appropriate final decision in the matter, whichever is earlier. Further, the Supreme Court vide order dated December 7, 2018 ("**SC Order**") on an application filed by PW Entities ordered that the interim order of SAT 2 would continue till March 31, 2019 or until a properly constituted Tribunal decides the appeal. In light of the SAT Order 2 subsequently read along with the SC Order, our auditors are currently able to continue with their ongoing engagement to audit our Company and deliver the necessary certificates for the Offer. However, there is no guarantee whether or when the SAT will issue a final decision on the appeals as referred to in SAT Order 2. In the meanwhile, our Company will evaluate the continuance of Price Waterhouse Chartered Accountants LLP as one of our Company's statutory auditors, as per applicable law and intervening orders of the authorities seized with the matter. If we change our statutory auditor, such change may require, among other things, the approval of the shareholders through a special resolution. We cannot assure you that we will be able to change our statutory auditors, if required to do so, in a timely manner and a sudden change of our statutory auditors may be disruptive to our business and divert management attention. In the event that our statutory auditor are not able to issue the required certificates, we intend to replace them with another audit firm as the statutory auditor of our Company, which may lead to a delay in the completion of the required work by the auditors and hence result in a concomitant delay with regards the Offer.

22. The increasing effect of innovation, technological change and use of data in the general insurance industry in India and the markets in which we operate, could harm our ability to maintain or increase our business volumes and our profitability.

The general insurance industry in India is undergoing rapid and significant technological and other changes. We (along with our competitors) are focused on using technology, data collection and innovation to improve sales and marketing and to simplify and improve customer experience, decrease inefficiencies, redesign products, improve customer targeting and alter business models. For example, innovations, such as mobile and web-based sales and services, can affect (and have affected) product design and pricing and have become an increasingly important sales factor. If we do not anticipate, innovate, keep pace with and adapt to technological and other changes affecting the Indian general insurance industry, it could harm our ability to compete in the market and decrease the value of our products to customers.

In addition, we could be affected by our ability to deploy, in a cost effective manner, technology that collects and analyses a wide variety of data points, as well as technology that enriches externally and internally sourced data, so as to make underwriting, claims or other decisions, as well as from companies and competitors that have larger databases or are better able to collect these data points. In particular, many new general insurance companies are seeking to operate predominantly online and digital business models which may allow them to successfully access predominantly retail industry segments such as motor insurance. If we are unable to take advantage of such developments we may not be able to operate as efficiently or cost-effectively as our competitors, which could lead to a reduction in our business and results of operations.

23. We are exposed to significant market risk, including changes in interest rates that could impair the value of our investment portfolio, which could lead to an adverse effect on our results of operations and financial condition.

As of September 30, 2018, 96.7% of our total investment assets, by carrying value, were invested in fixed income assets (including debt mutual funds). Changes in prevailing interest rates (including parallel and non-parallel changes in the difference between the levels of prevailing short-term and long-term rates) could affect our investment returns, which in turn could have an effect on our investment income and profitability.

While falling interest rates could result in an increase in the mark-to-market value of our debt portfolio, they also subject us to reinvestment risk which could result in the portfolio yields falling. Accordingly, declining interest rates could have an adverse effect on our investment income and profitability.

However, an increase in interest rates could also negatively affect our profitability as while an increase in interest rates could result in an increase in investment returns on our newly added fixed income assets, it could also result in a reduction in the market value of our existing fixed income assets reducing the unrealized appreciation value of such instruments.

Interest rates are highly sensitive to inflation and other factors including, Government fiscal and tax policies, monetary policy of the Reserve Bank of India, domestic and international economic and political considerations, balance of payments, regulatory requirements and other factors beyond our control.

Our ability to manage market risk with respect to our investment asset allocation is governed by IRDAI. While under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**"), we are permitted to make investments in both equity and debt assets, the IRDAI Investment Regulations prescribe a series of limits and sub-limits on these investments. We are obligated to invest a minimum of 30% of our total investment assets in government securities and other approved securities, including a minimum of 20% in central government securities. We are allowed to make, among others, a maximum investment of 70% in other approved investments such as equity shares, preference shares, debentures and immovable property situated in India subject to conditions mentioned in the IRDAI Investment Regulations. Within the 70%, the exposure to other than approved investments are restricted to 15% of our total investments. Such regulation may prohibit us from making the investment decisions we deem appropriate in order to maximize our interest income, which could limit our profitability.

As our combined ratio as of September 30, 2018 and March 31, 2018, 2017 and 2016 has been over 100%, we are reliant upon our investment returns for our profitability and any effect on our income from investments can affect our results of operations and financial condition.

24. Credit risks related to our investments may expose us to losses and have an adverse effect on our financial condition.

We are exposed to credit risks in relation to our investments. As of September 30, 2018, out of our total fixed income assets (including debt mutual funds), 32.3%, by carrying value, was invested in AAA rated (domestic credit rating) securities, 21.2% in AA or AA+ rated securities, 45.1% in sovereign instruments and 1.4% in other debt securities (fixed deposits and mutual funds). The value of our debt portfolio could be affected by changes in the credit rating of the issuer of the securities due to changes in credit spreads in the bond markets. In addition, issuers of the debt securities that we own may default on principal and interest payments on this due date, thereby creating an impairment in the realizable value of the assets. For example, in September 2018, IL&FS Limited, a leading Indian non-banking financial company reported that it had defaulted on its loan repayment obligations. This led to volatility in the Indian debt and equity markets. Our Company had invested in non-convertible debentures issued by IL&FS Limited, whose credit ratings have been significantly downgraded on account of its inability to service its debt obligations. As of September 30, 2018, the outstanding amount of our investments in such debentures was ₹ 350 million and we cannot assure you that we will be able to recover such investment.

Moreover, Indian credit ratings, even with the same rating symbols, may not reflect the same creditworthiness as an international rating. Hence, we may be subject to greater credit risks with respect to our investments in debt securities than we anticipate, which could result in impairment losses and have an adverse effect on our financial condition.

We cannot assure you that we are able to identify and mitigate credit risks successfully. As a result, a probable downgrade in the credit rating of the debt securities owned by us may lead to a reduction in value of our debt portfolio and have an adverse effect on our profitability and financial condition. Furthermore, the counterparties in our investments, including issuers of securities we hold, counterparties of any derivative transactions that we may enter into, banks that hold our deposits and debtors, may default on their obligations to us due to bankruptcy, lack of liquidity, economic downturns, operational failure, fraud or other reasons. We are also subject to the risk that our rights against these counterparties may not be enforceable in all circumstances.

25. IRDAI requires us to underwrite polices in respect of certain rural and social sectors of the population, which may affect our profitability.

Under the Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors), Regulations, 2015, we have an obligation to underwrite business in rural and social sectors as follows:

- at least 7% of our total GDPI for each financial year must be from the rural sector; and
- the total number of "human lives" underwritten in each financial year in the social sector, measured as a percentage of total business procured in the preceding financial year, must be at least 5%.

"Rural sector" means the places or areas classified as "rural" based on the latest available population census by the Government." Social sector" includes the unorganized sector, the informal sector, economically vulnerable or backward classes and other categories of persons, both in rural and urban areas.

Our participation in Government-sponsored insurance programs ensures that we comply with such requirements. In case we are unable to underwrite such Government-sponsored insurance programs for any reason whatsoever, or the IRDAI increase the relevant required participation, we may have to satisfy our rural and social sector obligations by underwriting risks which we would not otherwise underwrite, including at relatively low premium rates, in geographies where we have concentration risk and through products we would otherwise reduce our exposure to, potentially increasing our risk exposure and reducing our profitability.

26. Our investment portfolio is subject to liquidity risk which could decrease its value.

Some of our investments may not have sufficient liquidity as a result of a lack of market makers, market sentiment and volatility, and the availability and cost of credit. In these circumstances, our ability to sell our investment assets without significantly depressing market prices, or at all, may be limited. If we are required to dispose of these or other potentially illiquid investment assets on short notice due to significant number of insurance claims to be paid, a large claim to be paid, significant fall in value of our liquid investment assets, regulatory requirements or other reasons, we could be forced to sell such investment assets at prices significantly lower than the prices we have recorded in our financial statements. As a result, our investment income could be adversely affected.

27. The limited amounts and types of long-term fixed income products in the Indian capital markets and the legal and regulatory requirements on the types of investment and amount of investment assets that insurance companies are permitted to make could limit our ability to closely match the duration of our assets and liabilities.

We are regulated under Indian insurance laws and related regulations, including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, read with Investments – Master Circular issued by the IRDAI in May 2017, in relation to the type of investments and amount of investment assets in which we may invest, as well as the limited amounts and types of long-term investment assets in the Indian capital markets capable of matching the duration of our liabilities, may result in a shorter tenor of assets than liabilities with respect to certain of our investment accounts. Such exposure may also increase as we expand our business. It is possible that the investment restrictions imposed on insurance companies in India may also be increased and the sizes and types of long-term fixed income products available in the Indian securities market may decrease in the future. Any failure to align the tenure of our assets to that of our liabilities exposes us to risks related to interest rate changes, which could have an adverse effect on our business, financial condition, results of operations and prospects.

Further, our Company may also not be in compliance with the IRDAI Investment Regulations due to reasons beyond its control. For instance, our Company invested corporate bonds issued by Tata Sons Limited, a public limited company at the time of investment that subsequently converted to a private limited company. The IRDAI Investment Regulations restrict investments in private companies. Our Company has made an application to IRDAI seeking permission to continue holding such corporate bonds, and awaiting a response on the same.

28. The actuarial valuations in respect of IBNR and IBNER are estimates and could be incorrect which may be detrimental to our financial condition.

The actuarial valuation presented in our financial statements and elsewhere of liabilities that are IBNR and IBNER are performed by our Appointed Actuary and our Mentor Actuary. In India, the appointed actuary of an insurance company certifies such valuation and that in his/her opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. Our auditors rely upon our Appointed Actuary's certificate and do not review or audit such valuation independently, which practice might differ from other jurisdictions. If the assumptions and/or models used to conduct such an actuarial valuation are incorrect, or if there is an error in calculation we may have to increase our reserves, affecting our profitability, and this may lead to an increase in our pricing of certain products, which could affect our ability to market our products and our GDPI. There has been one instance of a substantially revised reserve in the previous five years leading to a change in reserves totaling ₹1,713.93 million. We monitor the actual claims payout for all our products and adjust our reserves accordingly. If we have to increase our reserves, our profits could be adversely affected affecting our financial condition and results of operations in the period in which we make the determination, and this may lead to an increase in our pricing of certain products, which could have an adverse effect on our business, financial condition and results of operations.

29. There may be significant variation between actual claim payments and the assumptions and estimates used in the pricing of, and setting reserves for, our various insurance products which could have an adverse effect on our business and financial condition.

We price our various insurance products based on various assumptions relating to risks, benefits and claim patterns. We determine liabilities that provide for future obligations relating to our various insurance products. The pricing of our products is based mainly on assumptions with respect to market value, risk profile of the policyholder, and expenses. We utilize multivariate pricing models, depending on the nature of the insurance product, and the risk profile of the customer or the project, to price our insurance products. Our earnings therefore are significantly dependent on the extent to which actual claim payments are consistent with the assumptions we have used in the pricing of our products and the determination of the appropriate amount of policy reserves. Due to the nature of the underlying risks and the high degree of uncertainty associated with the determination of liabilities relating to unpaid insurance policy claims, we are unable to determine in a precise manner the amount that would ultimately be paid to settle such liabilities. We maintain reserves to cover amounts we estimate will be required to settle insured losses as well as for the expenses incurred to settle our insurance policy claims. Our technical reserves for the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016 were ₹68,284.92 million, ₹60,936.25 million, ₹50,099.68 million and ₹43,729.51 million, respectively. However, reserves do not, and will not in the future, represent any precise calculation of liability, but rather are estimates of the anticipated net future policy claims payments, and are consequently inherently uncertain. An estimation of the loss and loss expense reserves is an arduous and complex process that involves a number of variables and is determined based on subjective assumptions, estimates and judgment of our senior management, the Appointed Actuary and the Mentor Actuary.

These assumptions and estimates are based on management's assessment of the information available to us, historical data, probable forecast of future events that could affect our policyholders or the insurance industry in general, as well as anticipated estimates on future claims' severity and frequency, our loss trends in claim frequency and severity experienced by us, our loss history and the industry's loss history, information regarding each claim for losses, and other subjective factors such as regulatory developments or judicial determination regarding damages, changes in political climate, and general macroeconomic trends such as inflation. Pricing our insurance products is therefore subject to a number of risks and uncertainties, many of which are outside our control, including the availability of sufficient data that we can rely on, any changes in applicable regulatory standards, our ability to obtain regulatory approvals, and other uncertainties that inherently characterize such estimates and assumptions. The pricing of our products involves the collection and analysis of a substantial amount of data, the development, testing and setting of appropriate pricing techniques, as well as ongoing monitoring to recognize changes in risk trends in a timely manner to accurately forecast severity and frequency of losses. We also use policyholder information and other third-party data in our modelling exercise, which could be inaccurate or incomplete. In addition, the modeling methodologies we use to determine the valuation of our expected benefits and claim payments could also be incorrect. As we increase the number and complexity of the insurance products we offer, the likelihood of an inaccuracy in our models may also increase. The assumptions, estimates and other subjective factors used in reserve calculations may be revised from time to time with additional experience or availability of additional data, with the development of more effective calculation methodologies, information on how loss trends and inflation claims affect future payments, as well as any changes to the existing regulatory regime and interpretations thereof.

In particular, the assumptions we make in pricing for our motor third-party insurance policies may have more significant cost implications, as claims under motor third-party insurance policies are not subject to time limits. Therefore, as errors in original assumptions may prove to be more significant over the longer time period that such claims remain outstanding, the inherent risk for mis-pricing is more significant in respect of motor third-party insurance.

Therefore it is possible that our actual claim payments experience is significantly worse than the assumptions used in the pricing of our insurance products. If this were to be the case, our expenses incurred in payment of claims would increase reducing our net profit, and require us to apply reserves towards the payment of claims.

30. We are dependent on the Reliance group for certain aspects of operations.

We receive operational support from the Reliance group in respect of certain technology services, such as data centers, cyber-security and network management. In addition, we are permitted to use the Reliance design as part of our logo by Anil Dhirubhai Ambani Ventures Private Limited ("**ADAVPL**") under a brand license agreement, free of royalty, for a period of ten years. The agreement is valid until September 30, 2024. That agreement requires us to observe certain covenants such as use of third-party marks in connection with the Reliance brand only with the consent of ADAVPL. In consideration for the grant of license, our Company must incur certain expenses from time to time in accordance with the direction and guidance of the authorized representative of ADAVPL, for an amount up to ₹500 million. Further, per the agreement, all goodwill and rights that may be acquired by use of the brand shall inure to the sole benefit of ADAVPL. ADAVPL also has the right to terminate the agreement for certain reasons, including a significant breach by our Company including change in control (as defined in the agreement) of our Company. Should we no longer be permitted to use such logo we may also suffer a reduction in our ability to attract customers.

The Reliance group is not obliged to provide such support and were it to cease doing so, we may not be able to operate at our business as effectively as we were able to with such support. This could affect many areas of our business operations including expenses, ability to attract and retain customers and distributors.

31. Any change in the equity interest of the Reliance group in our Company may adversely affect the ability of our business to derive the advantages of our relationship with the Reliance group.

Prior to the completion of the Offer, Reliance Capital holds 100% of our Equity Shares. If Reliance Capital, or indirectly in any manner, the Reliance group, ceases to hold a significant equity interest in our Company, as a result of any transfer of shares or otherwise, our ability to derive any benefit from the brand name "Reliance", or the goodwill or operational support of the Reliance group would potentially be lost. Any such loss could affect our ability to attract customers as well as our business operations and distribution networks.

32. Reliance Capital will continue to retain significant influence over our Company after completion of the Offer and will have the right to approve certain corporate actions, which may potentially involve conflicts of interest with other equity shareholders.

Prior to the completion of the Offer, Reliance Capital holds 100% of our Equity Shares. Following the completion of the Offer, Reliance Capital will continue to hold the majority of our post-Offer Equity Share capital. As a result, they will have the ability to influence matters requiring share-holders approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any assignment or transfer of our interest in any of our licenses.

There is no guarantee that Reliance Capital will exercise the powers derived from its shareholdings or board representation in a manner consistent with the interest of any other holders of our Equity Shares and its interests have significant potential to deviate from other holders of our Equity Shares.

33. The regulatory and compliance environment in the financial sector could change.

We and our Promoter are subject to a wide variety of insurance and financial services laws, regulations and regulatory policies and a large number of regulatory and enforcement authorities. Regulators in general have intensified their review, supervision and scrutiny of many financial institutions. Regulators are increasingly viewing financial institutions as presenting a higher risk profile than in the past, in a range of areas. This increased review and scrutiny or any changes in the existing regulatory supervision framework, increases the possibility that we or our Promoter may face adverse legal or regulatory actions. There can be no guarantee that all regulators will agree with our and our Promoter's internal assessments of asset quality, provisions, risk management, capital and management functioning, other measures of the safety and soundness of our and their operations or compliance with applicable laws, regulations, accounting norms or regulatory policies. Regulators may find that we or our Promoter are not in compliance with applicable laws, regulations, accounting norms or regulatory policies, and may take actions in respect of the same. If we or our Promoter fail to manage legal and regulatory risk, our business could suffer, our reputation could be harmed and we would be subject to additional risks. We cannot predict the timing or form of any current or future regulatory or law enforcement initiatives, which are increasingly common for all financial institutions.

Additionally, the laws and regulations or the regulatory or enforcement environment is subject to change at any time, which may have an adverse effect on the products or services we offer, the value of our assets or our business in general. Further, the laws and regulations governing the general insurance industry in India have over a period come to govern a wide variety of issues, including foreign investment, solvency requirements, investments, money laundering, privacy, record keeping, marketing and selling practices. Any change in the policies by the IRDAI, including in relation to investment or provisioning or rural and social sector obligations or norms, may result in our inability to meet such increased or changed requirements as well as require us to increase our coverage to relatively riskier segments. Future changes in laws and regulations and failure or the apparent failure to address any regulatory changes or enforcement initiatives could have an adverse effect on our business and our future financial performance, harm our reputation, subject us to penalties, fines, disciplinary actions or suspensions or increase our litigation risks.

Substantial changes which have occurred in the past three years include the introduction various regulations such as the Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016, and Insurance Regulatory and Development Authority of India (Appointment of Insurance Agents) Regulations, 2016. Further, various guidelines have been introduced which affect us and the industry in which we operate such as the Guidelines for Listed Indian Insurance Companies, 2016 and the Corporate Governance Guidelines.

Further, the Motor Vehicle Amendment Bill is currently undergoing legislative passage. The Motor Vehicle Amendment Bill seeks to amend the Motor Vehicles Act, 1988 to, among other things, address issues relating to third-party insurance. If the Motor Vehicle Amendment Bill is passed in its present form by Rajya Sabha and approved by the President of India and then notified in the Gazette of India, there is a possibility that it could negatively affect our operations.

In addition, the Insurance Act and the regulations issued by the IRDAI contain a number of provisions which regulate our operating flexibility and investors' shareholding or rights. The Insurance Act also restricts the types of capital of an insurer in India. The Insurance Act provides that appointment, reappointment or termination of appointment, of a managing or whole-time director or a chief executive officer, of an insurance company shall be made only with the prior approval of the IRDAI. Further, under the Indian Insurance Companies (Foreign Investment) Rules, 2015, the right to appoint any chairman who exercises a casting vote and the right to appoint any chief executive officer is necessarily required to be retained and exercised by the Indian promoters and investors, which curtails the rights of any foreign promoters or investors that we may have, thereby affecting our ability to attract foreign investment.

Additionally, Government and regulatory bodies in India may issue new regulations and/or policies, which may require us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. For example, regulations stipulated by the Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015 restrict the ability of the general insurers to select re-insurers for placement of risk. This could lead to a surge in the reinsurance premiums paid by us and thereby affect our overall profitability.

Any non-compliance with these laws and regulations and the enforcement thereof could have an adverse effect on the manner in which our business is carried out. Additionally, any change in these laws and regulations may require us to commit significant management and financial resources and may require significant changes to our business practices. For further details relating to the above mentioned insurance regulations and guidelines, see "*Regulations and Policies*" beginning on page 175.

34. We require certain approvals or licenses to carry out our operations.

We require certain approvals, licenses, registrations and permissions for operating our business. For further details, see "*Government and other Approvals*" on page 374. Further, the approvals that we have obtained stipulate certain conditions such as reporting requirements, and compliance with relevant IRDAI regulations, that require our compliance. If we fail to obtain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, or fail to comply with the conditions stipulated in the approvals we may face restrictions on our ability to operate, regulatory penalties or reputational damage. Further, the approvals that we have obtained stipulate certain conditions requiring our compliance. If we fail to obtain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected.

35. Our NCD documentation contains certain restrictive covenants, non-compliance with which could adversely affect our business and results of operations.

We have issued unsecured and redeemable non-convertible debentures, which are listed on the stock exchanges. The NCD documentation contains certain restrictive covenants, including:

(a) obtaining prior consent of the debenture trustee in case our Company proposes to enter into any amalgamation, reorganization or reconstruction;

(b) providing prior intimation to the debenture trustee before declaring or paying any dividend to its shareholders during any financial year, unless our Company has paid the installment of the principal amount and the coupon then due and payable on the NCDs, and with prior intimation to the debenture trustee or had made provision satisfactory to the debenture trustee for making such payment; and

(c) prior intimation to the debenture trustee before permitting to cause to be doing of any act or thing whereby its right to transact business could be terminated or whereby the payment of any principal amount or coupon of the NCDs may be hindered or delayed.

For more information, see “*Financial Indebtedness*” on page 352.

Any failure to meet our obligations under the NCD documentation could have an adverse effect on our business, results of operations and financial condition.

36. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, capital expenditure requirements and solvency ratio, and is subject to restrictions under Indian laws and regulations.

Any dividends to be declared and paid in the future are required to be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act and the Insurance Act. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements, capital expenditure requirements and solvency ratio. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Shareholders in the future consistent with our past practices, or at all. For details pertaining to dividend declared by us in the past, see "*Dividend Policy*" on page 233. Further, our Company has not declared any dividend on the Equity Shares in any of the financial years 2014, 2015 or 2016.

Under Indian laws, dividends may be paid out of profits earned during the year or out of accumulated profits earned by a company in previous years and transferred by it to its reserves (subject to certain conditions). Any accumulated profits that are not distributed in a given year are retained and may be available for distribution in subsequent years.

Payment of dividends by us is not regulated by relevant insurance laws and regulations prescribed for general insurance companies. However, the IRDAI may restrict an insurance company that has a solvency ratio lower than 1.50 from paying dividends. Any future changes in the regulations may affect our results of operations, financial condition, cash flows, or capital expenditure requirements or cause a drop in the solvency margin maintained by us below the regulatory threshold may restrict our ability to pay dividends.

37. Changes in taxation relating to our business and policies may adversely affect our business, financial condition and results of operations.

The Government of India has implemented a national indirect tax regime that combines taxes and levies by the central and state governments into one unified rate of tax, with effect from July 1, 2017 (the "**GST**"). The tax rate for general insurance services has increased under this regime from 15% to 18%. This additional cost is borne by the customer purchasing insurance, and as such has increased the cost of our products. This action and any future further such increases may reduce demand for our products. Further, the GST Council, may from time to time, impose additional levies to the GST rate through event/cause-specific cesses, which may be passed on to the customer, thereby increasing either the price of the product or increasing the expenses for our Company in the event we are unable to pass on such costs to the customer. This may adversely affect our financial condition.

Furthermore, under the GST, we are impacted due to disallowance of input tax credit on exempted business, which had a consequential impact of disallowance in tax credits. In addition, the GST also applies to our various counter-parties, for many of whom correct filing and reporting under the GST poses significant operational challenges. If our counter-parties suffer errors or delays in their filings, this may also affect our ability to claim certain tax credits based on our interactions with them. Any such inability to claim tax credits may adversely affect our financial condition.

38. Our risk management policies, as well as the risk management tools available to us, may not be adequate or effective in identifying or mitigating risks to which we are exposed.

We have established a risk management system consisting of an organizational framework, policies, procedures and risk management methods that have been formulated in accordance with the requirements of the IRDAI and that we consider to be appropriate for our business operations, and we have continued to enhance these systems. For more details, see "*Our Business—Risk Management*" on page 170.

However, due to the inherent limitations in the design and implementation of our risk management system, including internal control environment, risk identification and evaluation, effectiveness of risk control and information communication, our systems and mitigation strategies may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all types of risks.

Many of our methods for managing risk exposure are based upon observed historical market behavior or statistics. These methods may not accurately predict future risk exposure, which can be significantly greater than what our historical measures may indicate. Other risk management methods depend upon the evaluation of information regarding markets, policyholders or other matters that are publicly available or otherwise accessible to us. Such information may not be accurate, complete or properly evaluated. Moreover, the information and experience data that we rely on may quickly become obsolete as a result of market and regulatory developments, and our historical data may not be able to adequately reflect risks that may emerge from time to time in the future.

Management of our operational, legal and regulatory risks requires us to, among other things, develop and implement procedures to properly record and verify a large number of transactions and events, and these procedures may not be fully effective. Failure or the ineffectiveness of these systems could lead to the taking or manifestation of further risk.

Our intermediaries and agents who conduct our business, including management, sales and product managers, sales intermediaries and investment professionals, among others, do so in part by making decisions that expose us to risks. These decisions include setting underwriting guidelines and standards, product design and pricing, investment decisions, and pursuit of business opportunities, among others.

In addition, our employees and agents may make decisions beyond their scope of authority and that may expose us to excessive risks. Due to the large size of our operations and the large number of our branches, we cannot assure you that our controls and procedures designed to monitor the business decisions of our employees and agents will always be effective. If our employees and agents, intentionally or unintentionally take excessive risks or make mistakes, the effect of those risks or mistakes could expose us to loss we have not accounted for.

As the Indian insurance market continues to evolve, we are likely to offer a broader and more diversified range of insurance products and invest in a wider range of assets in the future. Our failure to timely adapt our risk management procedures and practices to our developing business could also lead to losses as a result of such market changes.

39. Credit risks in our day-to-day operations, including in our reinsurance contracts, may expose us to significant losses due to non-performance by contracting parties of their obligations.

We are dependent on a number of parties such as brokers and dealers, reinsurers, co-insurers, banks, and other intermediaries for our day-to-day operations. If any of these counterparties do not perform their obligations due to bankruptcy, lack of liquidity, downturns in the economy, operational failure, fraud or other reasons, and any collateral or security they provide proves inadequate to cover their obligations at the time of the default, we could suffer losses. We are also subject to the risk that our rights against these counterparties may not be enforceable.

In particular, we are exposed to the credit risk of our reinsurance partners. Although reinsurance makes the reinsurer liable to us for the risk transferred, it does not discharge our liability to our policyholders. As a result, we are exposed to credit risk with respect to reinsurers. We cannot assure you that our reinsurers will pay the amounts owed to us now or in the future or that they will pay these amounts on a timely basis.

We are also exposed to the credit risk of our co-insurance partners. In respect of this risk, see "*—We face certain risks in connection with our co-insurance policies*" on page 44.

40. We face certain risks in connection with our co-insurance policies.

For large corporate risks, the insurer and the insured may choose to diversify the insurance risk by appointing a lead insurer and other co-insurers, i.e., the followers. The premium and claims are ceded by the lead insurer in favor of the followers in proportion to their share of participation in the risk. In case of claim, the lead insurer carries out the claim management process and the other co-insurers "follow" the lead insurer by contributing their share of the claim.

When we are the lead insurer, we may face situations where we settle the entire amount of a claim and a follower subsequently repudiates the claim or significantly delays payment of their share of the claim. This structure also exposes us to the credit risk of our co-insurers, as whilst our co-insurance partners are liable for agreed portions of the claims they co-insure with us, this does not discharge our liability to policyholders when we are lead insurer, and as such any default by our co-insurers in the payment of their share of such claims, could result in our costs in respect of such claim increasing to the extent we are not able to recover such amounts from the co-insurer. Disputes or failures by the follower to perform its obligations after a claim has been paid out by us as the lead insurer, may result in increased expenses and have an adverse effect on our cash flow.

As a follower, there have been instances of substantial delays in our receipt of the premium due to us. Additionally, there have been occasions on which we were of the opinion that a claim settled by the leader should have been repudiated. In such cases, we are still required to pay our share of the claim, which we may not have had to do if we had handled the claim management process.

41. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We take steps to establish and maintain compliance and disclosure procedures, systems and controls, and to maintain internal controls over financial reporting in order to produce reliable financial reports and prevent financial fraud or misreporting. However, internal controls over financial reporting must be reviewed on an ongoing basis as risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human error. Failures of internal controls could also lead to regulatory breaches which may also affect us negatively. To the extent that there are lapses in judgment or breakdowns resulting from human error, the accuracy of our financial reporting could be affected, resulting in a loss of business and reputation. We have previously been given penalties by IRDAI of (i) ₹ 0.5 million for not meeting an obligatory target in respect of our declined risk pool for financial year 2013; (ii) ₹ 0.5 million for violation of Regulation 11 of IRDAI (Health Insurance) Regulation, 2013 for financial year 2016; (iii) ₹ 0.5 million for violation of Regulation 2(g)(i) of IRDAI (Registration of Indian Insurance Companies) Regulations, 2000 for financial year 2016; and (iv) ₹ 0.5 million for violation of provisions of (General Regulation 8 of All India Motor Tariff, 2002) and File and Use Guidelines / Circulars. For more information, see "*Outstanding Litigation and Material Developments*" on page 354.

42. Fluctuations in the exchange rate of the Indian Rupee and U.S. Dollar or other foreign currencies may adversely affect our results of operations.

We are exposed to foreign currency risk through payments we are required to make in currencies other than Indian Rupees. Such transactions include reinsurance transactions (for which we often pay premiums in U.S. Dollars) and claims payments arising in certain categories of business (such as overseas travel and marine insurance where losses are incurred outside of India and therefore in foreign currencies). If there is a fluctuation in the exchange rate of the Indian Rupee and U.S. Dollar or other foreign currencies in which we transact, it could have adversely affect our results of operations.

43. We have entered into certain related party transactions, and we may continue to do so in the future.

We have entered into certain transactions with related parties, including with our Promoter and Group Companies. For the half year ended September 30, 2018 and the financial year 2018, our Company received ₹151.72 million and ₹179.78 million as premium (net of refund) from related parties, respectively, which was 0.4% and 0.4% of the GDPI for their respective years. Further, during the half year ended September 30, 2018 and the financial year 2018, our Company paid ₹71.64 million and ₹103.30 million (net of reimbursements received) to related parties, respectively, which was 1.5% and 1.2% of total expenses incurred by our Company during their respective years. For details of the related party transactions during the last five the financial years, as per the requirements under Accounting Standard - 18 - Related Party Disclosures, see "*Related Party Transactions*" on page 232. See also "*Our Management—Interest of Key Management Personnel*" on page 209. In addition, as of September 30, 2018, we hold securities issued by Reliance Capital Limited and Reliance Home Finance Limited of ₹1,809.11 million and ₹649.07 million, respectively, and we had invested ₹171.00 million in the Reliance Liquid Fund scheme of Reliance Mutual Fund.

Certain related party transactions also require the approval of our shareholders (where the related parties are required to abstain from voting on such resolutions).We cannot assure you however that such transactions will be approved. There can also be no assurance that we will be able to maintain existing terms, or in case of any future transactions with related parties, that such transactions will be on terms favorable to us. We cannot assure you that in all such transactions, we could not have achieved more favorable terms than the existing ones. It is also likely that we will enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest.

44. We are required to disclose certain operational and other information to our regulators at periodic intervals as part of our compliance with their rules and regulations, which is subject to change.

In compliance with regulations applicable to us and consistent with past practice, we are required to disclose certain provisional operational and other information to our regulators on a periodic basis. Such information primarily comprises the number of insurance policies issued by us and our gross direct premium income on the basis of our lines of business. This information, prepared by our management, is derived from our management information systems and is provisional. The auditors of our Company do not and have not audited or performed any procedures with respect to this information prior to its submission to our regulators. Therefore, this information is subject to change.

45. *We may fail to maintain confidential information securely, or suffer from any security or privacy breaches.*

In our customer engagements, we collect, process, store, use, transmit and have access to a large volume of confidential information. Our and our distribution partners' computer networks may be vulnerable to unauthorized access, computer hackers, computer viruses, worms, malicious applications and other security problems caused by unauthorized access to, or improper use of, systems by our employees, subcontractors or third-party vendors.

Despite the security controls we implement, computer viruses or disruptions may jeopardize the security of information stored in and transmitted through our computer systems or the systems that we manage. As a result, we may be required to expend significant resources to protect against the threat of these security breaches or to alleviate problems caused by these breaches. Techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until launched against a target. We may be unable to anticipate these techniques or implement adequate preventative measures. Even if we anticipate these attacks, we may not be able to counteract these attacks in time to prevent them.

Organizations generally, and insurers, in particular, due to the amount of sensitive data they hold, remain vulnerable to highly targeted attacks aimed at exploiting network specific applications or weaknesses. Hackers are increasingly using powerful new tactics including evasive applications, proxies, tunneling, encryption techniques, vulnerability exploits, buffer overflows, denial of service attacks, or distributed denial of service attacks, botnets and port scans. If we are unable to avert a distributed denial of service attack or other attack for any significant period, we could sustain substantial revenue loss from lost sales due to the downtime of critical systems. We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyber-attacks. Moreover, we may not be able to immediately detect that such an attack has been launched, if, for example, unauthorized access to our systems was obtained without our knowledge in preparation for an attack contemplated to commence in the future. Cyber-attacks may target us, our customers, our distribution partners, banks, credit card processors, delivery services, e-commerce in general or the communication infrastructure on which we depend.

Since we use cloud environments for various applications, we store and transmit large amounts of sensitive, confidential, personal and proprietary information over public communications networks. The shared, on-demand nature of cloud computing introduces the possibility of new security breaches, in addition to the threats faced by traditional corporate networks. Due to the vast amount of data stored on cloud servers, cloud providers have become a target for cyber-attacks.

If an actual or perceived security breach, data theft, unauthorized access, unauthorized usage, computer virus or similar breach or disruption occurs, the market's perception of our security measures could be harmed and we could lose sales and current and potential customers. Any significant violations of data privacy could result in the loss of business, litigation and regulatory investigations and penalties that could damage our reputation and adversely affect our operating results and financial condition. Furthermore, if a high profile security breach occurs with respect to another insurer, our customers and potential customers may lose trust in the security of the insurance industry generally, which could harm our future sales.

46. *We may not be able to attract and retain our senior management, actuaries and employees.*

The success of our business to a large extent depends on the continued service of our senior management and various professionals and specialists, including sales and marketing professionals, actuaries, information technology specialists, investment managers and finance professionals, legal professionals, risk management specialists, underwriting and claim settlement personnel and industry specialists. As a result of ever-increasing market competition, the market demand and competition for experienced management personnel and insurance professionals and specialists has intensified. In previous periods we have experienced higher levels of employee attrition than our competitors. Our business and operations could suffer if we are unable to retain our senior management, or other employees, including management in professional departments of business, finance, actuarial, investment and information technology, or cannot adequately and timely replace them upon their departure.

In particular, we rely on a limited number of actuarial personnel, including our Appointed Actuary. Actuarial work is a specialized profession and there are a limited number of persons qualified to practice as an actuary in India. Any failure on our part to attract, retain or find suitable replacements for any of our actuarial personnel, including our Appointed Actuary, could have an adverse effect on our business and preventing us from conducting our business at all. Similarly, we rely on a limited number of specially trained and experienced investment professionals. We also do not maintain any key person insurance.

47. We depend on the accuracy and completeness of information provided by or on behalf of our customers and counterparties.

In deciding whether to issue policies to customers, pay out claims or enter into other transactions with counterparties, we necessarily have to rely on information furnished to us by or on behalf of our customers, regional or rural banks for the PMFBY program, intermediaries and counterparties, including personal details, medical histories, income statements and other financial information. Our risk profile could be negatively affected by relying on any incorrect, misleading or incomplete information sourced from customers and counterparties. Such information might include non-disclosure of pre-existing medical conditions or other material information, inaccurate, incomplete or forged income and financial statements, inaccurate details regarding assets to be insured, and incorrect KYC documents thereby leading to violation of laws including the anti-money laundering related laws, we may not be able to minimize such inaccuracies and incompleteness, which could harm our reputation or lead to regulatory action.

While we are implementing measures aimed at improving detection and prevention of employees' and external parties' frauds, sales misrepresentations, money laundering and other misconduct, we may not be able to detect or prevent such misconduct in a timely manner or at all, which could harm our reputation. We also cannot assure you that such incidents will not recur, and any such recurrences could have similar negative effects.

48. Our insurance coverage on our own assets could prove inadequate to cover our loss.

We maintain what we believe to be appropriate insurance coverage, commensurate with industry standards in India and with reputed insurers, including, for instance, a risk held covered for a standard fire and perils policy and a directors' and officers' insurance policy. There can be no assurance however that our current insurance policies will provide sufficient mitigation against all risks and losses that may arise in the future. In addition, even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all.

49. We rely on third-party contractors and service providers for a number of services, but we cannot guarantee that such contractors and service providers will comply with relevant regulatory requirements or their contractual obligations.

We routinely outsource some of our operations to third-party contractors and providers. However, we cannot guarantee that our third-party contractors will comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all. Third-party providers may breach agreements they have with us because of factors beyond our control. They may also terminate or refuse to renew their agreements because of their own financial difficulties or business priorities, potentially at a time that is costly or otherwise inconvenient for us. Our operations could be delayed or our commercial activities could be harmed due to any such event despite having continuity plans in place as required by regulations. In addition, if our third-party providers fail to operate in compliance with regulations or corporate and societal standards, we could suffer reputational harm.

50. This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from ICRA.

This Draft Red Herring Prospectus in the sections titled "*Summary of Offer Document*", "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 17, 21, 102, 145 and 323 respectively, includes information that is derived from an industry report titled "Indian General Insurance Industry: Overview" prepared by ICRA Limited, commissioned by us, for the purpose of this Offer. The data in the industry report has not been independently verified by us. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

51. Any increase in or realization of our contingent liabilities could have an adverse effect on our business, financial condition and results of operations.

As of September 30, 2018, March 31, 2018, 2017 and 2016, our aggregate contingent liabilities, in accordance with the provisions of Accounting Standard - 29 -Provisions, Contingent Liabilities and Contingent Assets, were, ₹586.45 million, ₹651.15 million, ₹40.32 million and ₹112.65 million respectively. The details of our contingent liabilities which have not been provided for by us as of September 30, 2018 as per our Restated Financial Information are as follows:

Particulars	**As on September 30, 2018 (₹ in million)**
Statutory demands/liabilities in dispute, not provided for	549.50
Claims, other than those under policies, not acknowledged as debt	10.53
Guarantees given by or on behalf of the company	12.49
Others	13.93
Total	**586.45**

For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Outstanding Litigation and Material Developments*" on page 323 and from page 354, respectively. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future. In the event that the level of contingent liabilities increase, it could have an adverse effect on our business, financial condition and results of operations.

52. We have had negative cash flows in recent periods. Our inability to generate and sustain adequate cash flows in the future may adversely affect our business, results of operation and financial condition.

We have experienced negative cash flows in the recent periods, the details of which for the periods indicated, are as follows:

(₹ in millions)

Particulars	**For the half year ended September 30, 2018**	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Net Cash flow from (used in) operating activities	1,919.40	8,615.34	5,906.63	(332.92)
Net Cash flow from (used in) investing activities	(3,484.37)	(6,247.49)	(7,485.16)	228.02
Net Cash flow from (used in) financing activities	112.97	(286.29)	2,253.37	(105.17)

53. Our statutory auditors have highlighted certain matters of emphasis to their audit report relating to our historical audited financial statements, which may affect our future financial results.

Under Indian Auditing Standards, statutory auditors may include an emphasis of matter in their audit opinion under certain circumstances, including when a company's financial records have not been maintained in accordance with Indian GAAP but no misrepresentations are identified. Our statutory auditors have included an emphasis of matter in their audit opinion relating to our historical financial statements for the financial year 2016. For further details, please see the section titled "*Annexure VI:*

Statement of Adjustments to Audited Financial Statements – Emphasis of Matter" on page 279.Our statutory auditors have provided the basis for their opinion, primarily relating to provision for claims outstanding towards incurred but not reported (IBNR) and incurred but not enough reported (IBNER) and expected claim cost for Premium Deficiency Reserve creation as at March 31, 2016, which was certified by a consulting actuary instead of the appointed actuary as required by the IRDAI Regulations. For details, see "*Management's Discussion on Financial Condition and Results of Operations*" on page 323.

There can be no assurance that our statutory auditors will not include such matters of emphasis or other similar comments in the audit reports to our audited financial statements in the future, or that such modification will not affect our financial results in future fiscal periods. Investors should consider these matters of emphasis and related remarks in evaluating our financial condition and results of operations. Any such modification in the auditors' report on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

54. We will be required under applicable regulations to prepare our financial statements under the Indian Accounting standards converged with IFRS ("Ind-AS") with effect from April 1, 2020. Accounting standards under Ind-AS vary from accounting standards under Indian GAAP and there can be no assurance that our financial statements prepared and presented in accordance with Ind-AS will not adversely vary from our historical financial statements prepared and presented under Indian GAAP, which could adversely affect the trading price of the Equity Shares.

We currently prepare our financial statements in accordance with accounting principles generally accepted in India ("**Indian GAAP**"), in compliance with the accounting standards notified under section 133 of the Companies Act, 2013 further amended by Companies (Accounting Standards) Amendment Rules, 2016, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India.

The Ministry of Corporate Affairs (the "**MCA**"), in its press release dated January 18, 2016, issued a roadmap for implementation of Ind-AS converged with IFRS for scheduled commercial banks, insurance companies and nonbanking financial companies. Subsequently, MCA issued the Companies (Accounting Standards) Amendment Rules, 2016 dated March 30, 2016 ("**Amendment Rules**") applicable for accounting periods commencing on or after March 30, 2016. The Amendment Rules require insurance companies to apply Ind-AS for the preparation and presentation of financial statements as notified by the IRDAI. Subsequently, pursuant to the IRDAI circular dated June 28, 2017, implementation of Ind-AS in the insurance sector has been deferred and will be applicable with effect from April 1, 2020. The implementation has been deferred owing to (i) the fact that India does not have a standard equivalent of Indian Accounting Standard 39 on Financial Instruments: Recognition and Measurement, (ii) the implementation of Ind-AS in its current form would lead to a position where assets will be valued at fair value / market value and liabilities will continue to be valued as per existing formula based approach leading to a mismatch in asset and liability valuation and volatility in the financial statements of insurance companies, and (iii) compliance costs would have to be incurred twice, once on implementation of Ind-As and again when IFRS 17 Insurance Contracts is implemented. However, as required by the IRDAI, we have submitted certain proforma Ind-AS financial statements to the IRDAI every quarter since the quarter ended December 31, 2016. In addition, we also submit our Ind-AS financial results to our Promoter (our holding company), Reliance Capital Limited, in order for it to prepare its consolidated financial statements for each quarter.

The manner of application of certain Ind-AS accounting standards, particularly with respect to insurance companies, is somewhat uncertain, and further guidance on such application is expected to be provided by the IRDAI. Only upon the availability of guidance from the IRDAI on the interpretation and application of Ind-AS accounting standards and policies to insurance companies with effect from April 1, 2020, will we be able to determine the complete effect that the adoption of Ind-AS will have on the preparation and presentation of our financial statements. As established practice continues to develop in India regarding the implementation and application of Ind-AS to insurance companies, we may encounter technical difficulties in implementing and enhancing our management information systems in the context of our transition to Ind-AS.

In this Draft Red Herring Prospectus, we have not made any attempt to quantify or identify the effect of the differences between Ind-AS and Indian GAAP as applied to our historical financial statements and there can be no assurance that the adoption of Ind-AS will not affect the preparation and presentation of our financial statements in the future.

55. The insurance sector is subject to seasonal fluctuations in results of operations and cash flows.

The insurance sector is subject to seasonal fluctuations in results of operations and cash flow. Most Indian corporates purchase non-life insurance in the beginning of the financial year, and consequently, we see an increase in premiums received from our corporate customers in April of every year. In addition, certain insurance purchases by individuals are concentrated around the third and fourth quarters of the financial year due to the increase in sales of motor vehicles in the festive season and due to certain tax benefits related to their purchase, respectively. Likewise, the sale of health insurance products increases in the last quarter of each the financial year to take advantage of income tax benefits available to customers. Finally, weather and crop insurance purchases are concentrated around the two sowing seasons—Kharif and Rabi. Our investment income is also subject to fluctuations as we time the sales of our investments on the basis of market opportunities.

As a result of these factors, we may be subject to seasonal fluctuations and volatility in growth in premiums, results of operations and cash flows between financial periods of reporting. Consequently, our results for an interim period should not be used as an indication of our annual results, and our results for any period should not be relied upon as an indicator of our future performance.

56. The Indian general insurance market has experienced volatility in growth and future growth cannot be assured.

Over the long term, we expect the general insurance market in India to continue to expand and the general insurance penetration and general insurance density to continue to rise with the continued growth of the Indian economy. However, our judgments regarding the anticipated drivers of such growth and their effect on the Indian general insurance industry might be wrong and actual developments might not reflect our expectations. In addition, the Indian general insurance industry may not be free from various risks, including risks related to macroeconomic conditions and customers' attitude to insurance products. Consequently, the growth and development of the Indian insurance industry cannot be assured.

57. Our expenses may be higher than permitted which could have an adverse effect on our business, financial condition and results of our operations.

The IRDAI Expenses of Management Regulations sets out the allowable limit for expenses of management on an overall basis and segment-wise basis. For instance, under these regulations, an insurer carrying on general insurance business or health insurance business in India is not permitted to spend in any financial year as expenses of management, an amount exceeding (i) the amount of commission or other remuneration paid to insurance agents and insurance intermediaries in respect of their business transacted in the financial year as may be allowed by IRDAI from time to time (subject to exceptions); (ii) commission and expenses reimbursed on reinsurance inward; and (iii) operating expenses. Additionally in respect of motor insurance, there are further restrictions which limit the maximum amount of expenses we can charge as a percentage of our total GDPI. As regulation limits what portion of our fixed expenses can be passed on to customers, we are required to incur the balance of such expenses ourselves. As a portion of our expenses are fixed, they will not vary in accordance with future sales. Therefore if future sales are lower than expected, our expenses may not fall proportionally, or at all. This could adversely affect business, financial condition and results of our operations. Any violation of the limits on overall basis or the directions issued by the Authority in this regard may lead to either or a combination of (i) excess charged to shareholders' account; (ii) restriction on performance incentive to the CEO and Key Management Persons; (iii) restriction on opening of new places of business; (iv) graded penal action under the Insurance Act; (v) removal of managerial personnel and / or appointment of an administrator; (vi) any other action as specified in the Insurance Act.

58. Regulatory and statutory actions could be taken against us or our distribution partners, which could harm our reputation and have an adverse effect on our business, financial condition, results of operations and prospects.

Our constitution and operation is subject to extensive application of laws and is under active supervision of the IRDAI and other regulatory and statutory authorities of India. We are also subject to periodic examinations by the IRDAI and other statutory and Government authorities of India. From time to time, we may be subjected to regulatory actions for various non-compliances and violations that might extend to caution, warning, penalty or cancellation of our license for doing business. We have received cautions, warnings and penalties from IRDAI due to non-compliance with various regulatory prescriptions. In the past five years, the regulatory actions by IRDAI against us include a penalty of ₹0.5 million for financial year 2013, ₹0.5 million twice for financial year 2016 and ₹0.5 million for financial year 2019. For further details, see "*Outstanding Litigation and Material Developments—Litigation involving our Company—Litigation filed against our Company—Actions by regulatory / statutory authorities*" on page 355.

In the regular course of our business, we have been receiving various queries, clarifications and observations from IRDAI (including during their onsite visit) and other statutory or regulatory authorities, including in relation to grievance redressal procedure and compliance with the Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000 (the "**Advertisement Regulations**"), the File and Use Guidelines and IRDAI Guidelines on Corporate Governance dated May 18, 2016 (the "**Guidelines on Corporate Governance**").Failure to address or satisfactorily address these queries and clarifications in a timely manner or at all may result in us being subject to statutory or regulatory actions. Further, responding to these regulatory actions, regardless of their seriousness or ultimate outcome, requires a significant investment of financial and management resources. Given the uncertainties and complexity of many of these regulatory actions, their outcome generally cannot be predicted with any reasonable degree of certainty and may have adverse effects on our operations.

The IRDAI may issue directions or advices to us from time to time which may require certain expenses to be borne by our shareholders, under different circumstances including, for example, (i) where an insurance company has violated the limits of expenses of management for one or more segments but is compliant on an overall basis, the excess over the limit in that segment and; (ii) remuneration to executive directors above ₹15.0 million per annum.

Any ongoing or future examinations or proceedings by any authority (regulatory, statutory or Government) may result in the imposition of penalties or sanctions, or issuance of negative reports or opinions, against us, which may lead to an adverse effect on our business, financial condition, results of operations and prospects. These examinations or proceedings may also result in negative publicity, which could significantly harm our, brand and reputation.

We are also exposed to risks, including regulatory actions, arising due to improper business practices such as inadequate due diligence, including customer verification, non-adherence to anti-money laundering guidelines, and customer needs analysis, in our sales process.

Any fraud, sales misrepresentation and other misconduct by our employees, agents or distribution partners could result in violations of laws and regulations by us and subject us to regulatory scrutiny. Even if such instances of misconduct may not result in any legal liabilities on our part, they could cause serious reputational or financial harm to us.

In addition, our agents and intermediaries are also subject to regulatory oversight of the IRDAI, in addition to any other regulators within their industries. Any regulatory action against such distribution partners could reduce our ability to distribute our products through them or harm our reputation.

To the extent that we enter new geographies or new product markets, the complexity of our regulatory environment will increase, potentially increasing the cost of compliance and the risk of noncompliance.

59. Our financial statements and the presentation of our performance metrics differ significantly from those of non- insurance companies and may be difficult to understand or interpret.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act, the Insurance Act, the IRDAI Act, regulations framed and circulars issued. The Restated Financial Information, and the financial statements which will be prepared for the future accounting periods, will differ significantly from those of non-insurance companies and may be difficult to understand. For example, while financial statements of companies other than insurance companies generally consist of a balance sheet, a profit and loss statement and a cash flows statement, our financial statements consist of a balance sheet, revenue account(s), a profit and loss account, and a receipts and payments account. As a result of the technical nature of our financial statements as compared to those of non-insurance companies, an investor may find them difficult to understand or interpret, and it may cause the investor to make a choice to invest in us which he or she would not otherwise make with a more complete understanding.

Our performance metrics, including our combined ratio, net expense ratio and loss ratio, are significantly different from those of non-insurance companies and may require certain estimates and assumptions in their calculation. Even among insurance companies, these metrics may be calculated differently by different companies. An investor must exercise caution before relying on these metrics and these must be read along with our Restated Financial Information.

60. There are restrictions on transfers under the Insurance Act and the relevant IRDAI regulations.

Under the Insurance Act, and the Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015, no transfer or issuance of Equity Shares which would result in change in our shareholding can be made, where (a) after the transfer, the total paid up holding of the transferee is likely to exceed 5% of our paid-up equity share capital, or (b) the nominal value of Equity Shares intended to be transferred by any individual, firm, group, constituents of a group, or body corporate under the same management, jointly or severally exceeds 1% of our paid-up equity share capital, unless the previous approval of the IRDAI has been obtained for the said transfer. There can be no assurance that IRDAI will necessarily grant such approval to us. Additionally, such transfer restrictions could negatively affect the price of the Equity Shares and may limit the ability of the investors to trade in our Equity Shares in the stock market. These limitations could also have a negative effect on our ability to raise further capital.

Additionally, IRDAI has issued the Listed Indian Insurance Companies Guidelines. These guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and the allotment process pursuant to a public issue. The guidelines, among other things, require a self-certification of fit and proper criteria by a person intending to make any transfer or any agreement to transfer 1% or more, but less than 5% of our paid-up equity share capital. However, if the person proposing to acquire equity shares is likely to result in the following:

(i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid-up equity share capital of the insurer or the total voting rights of the insurer; or

(ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10% of the paid-up equity share capital or the total voting rights of the insurer; each such acquisition would require prior approval of the IRDAI.

The investors intending to acquire the Equity Shares amounting to 1% or more, up to 5%, of our paid-up equity share capital in the Offer shall be required to comply with the self-certification of "fit and proper" criteria as set out in "*Offer Procedure—Restrictions on shareholding in insurance companies*" on page 397. Additionally, investors intending to acquire Equity Shares in the Offer such that (i) the aggregate holding of such investor, his relatives, associate enterprises and persons acting in concert, would increase to 5% or more of our paid up Equity Share capital or the total voting rights, or (ii) the aggregate holding of the investor along with the persons acting in concert, increasing to in excess of 10% of our paid-up equity share capital or the total voting rights of the insurer, should note that each such acquisition would require prior approval of the IRDAI. Investors will also be subject to such restrictions with respect to any acquisition of Equity Shares after the Offer. For further details, see "*Offer Procedure*" beginning on page 397.

61. Reinsurance may not be available, affordable or adequate to protect us against losses, and reinsurers may dispute or default on their reinsurance obligations.

As part of our overall risk mitigation and capital management strategy, we purchase reinsurance to cover certain risks to which we are exposed. Our purchase of reinsurance reflects the insurance industry practice of reinsuring a portion of the risks we underwrite, in the case of our proportional reinsurance, and limiting our losses for certain significant loss incidents, in the case of our non-proportional reinsurance. Market conditions beyond our control determine the availability and cost of appropriate reinsurance and the receipt of future reinsurance recoveries as well as the financial strength of reinsurers. Like the insurance industry, the reinsurance industry has been and may continue to be cyclical and exposed to substantial market losses, which may adversely affect reinsurance pricing and availability, or its terms and conditions, or the ability of a reinsurer to fulfil its obligations towards us. Similarly, risk appetite among reinsurers may change, resulting in changes in price or willingness to reinsure certain risks in the future. Any such occurrences or significant changes in reinsurance pricing may result in us being forced to incur additional expenses for reinsurance, underwriting less business, having to obtain sufficient reinsurance on less favourable terms or not being able to obtain on a timely basis or choosing not to obtain reinsurance at all, thereby exposing us to increased retained risk and potentially an increase in loss ratio.

We purchase reinsurance under agreements generally on an annual renewable basis. These reinsurance agreements are designed to transfer risk, support underwriting volumes and moderate the effect of losses. Under the terms of these reinsurance agreements and in return for the premium paid, the reinsurer agrees to reimburse us for a portion of the claim paid to a policyholder or third-party claimant, in the case of proportional reinsurance, or a portion of a claim in excess of a certain amount, in the case of non-proportional reinsurance.

Our largest reinsurance provider as at September 30, 2018 was GIC Re. If our reinsurance providers do not offer to renew their products and services, in whole or in part, for any reason, there is a risk that we may be unable to procure replacement cover for any reinsurance agreements at rates equivalent to those of the terminated cover and that we may be exposed to the entire amount of losses during any interim period between termination of the existing agreements and the start of any replacement cover. A default by a reinsurer to which we have exposure could also expose us to significant losses and therefore result in significant reductions to our net profit.

Additionally, though we seek to employ a conservative reinsurance strategy that diversifies our exposure to reinsurers and our mix of proportional and non-proportional reinsurance coverage, we bear credit risk with respect to our reinsurers, and if any reinsurer fails to pay us, or fails to pay us on a timely basis, we could experience significant losses. Although the relevant reinsurance contract makes the reinsurer liable to us to the extent of the risk assumed by (that is, ceded to) the reinsurer, we are not relieved of our primary liability to its customers and policyholders. As a result, we bear risk with respect to our reinsurers. We cannot ensure that our reinsurers will pay reinsurance claims on a timely basis or at all. If reinsurers are unwilling or unable to pay the amounts due under reinsurance contracts, whether due to the reinsurer experiencing financial difficulties, a dispute over policy coverage between us and the reinsurer, or otherwise, we will incur unexpected losses and our results of operations will be adversely affected.

62. We cede a significant percentage of our reinsurance to GIC Re and negative changes to our relationship with GIC Re may adversely affect the results of our operations.

In the financial year 2018, 67.6% of our total reinsurance ceded was to GIC Re (the equivalent of 26.1% of GDPI). For certain types of reinsurance, including weather and crop insurance, all general insurers in India rely largely on GIC Re as it is the largest provider of such forms of reinsurance in India. Additionally, under the IRDAI's regulations, GIC Re, which is the only Indian re-insurer with the minimum credit rating required to gain this preferential status, has a right of first offer for all reinsurance ceded by an Indian general insurer. Therefore, we may not have control over the amount of reinsurance we cede to GIC Re. If there is any adverse change in our business relationship with GIC Re, we may be unable to find alternative reinsurance at acceptable rates, or at all which could affect our risk profile and our operating margins. The high concentration of our reinsurance with GIC Re subjects us to a higher degree of credit risk exposure on such reinsurance. In addition, as we are required to offer reinsurance to GIC Re in the first instance, it is possible that we may not receive favourable rates for our reinsurance ceded to GIC Re. This could result in our reinsurance expenses increasing, and our net profit decreasing.

EXTERNAL RISK FACTORS

63. A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.

A large part of our business and customers are located in India or are related to and influenced by the Indian economy. The Indian Government has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Government policies could adversely affect business and economic conditions in India, our ability to implement our strategy and our future financial performance. Since 1991, successive Indian Governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. In the past, coalition Governments have also governed India.

The leadership of India and the composition of the coalition in power are subject to change and election results are sometimes not along expected lines. It is difficult to predict the economic policies that will be pursued by the Government of India. The rate of economic liberalization could change and specific laws and policies affecting insurance companies, foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

64. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and may result in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

On March 4, 2011, the GoI issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect on competition in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India.

The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may adversely affect our business, financial condition or results of operation. We cannot assure you that we will be able to obtain approval for any future acquisitions on satisfactory terms, or at all. If we are affected directly or indirectly by the application or interpretation of any provision of the Competition Act or any proceedings initiated by the CCI or any other relevant authority (or any other claim by any other party under the Competition Act) or any adverse publicity that may be generated due to scrutiny or prosecution under the Competition Act, including by way of financial penalties, our reputation may also be materially and adversely affected.

65. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years.

Any change in tax laws including upward revision to the currently applicable normal corporate tax rate of 30% along with applicable surcharge and excess, our tax burden will increase. Other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, may no longer be available to us. Further, we have entered into reinsurance agreements with foreign reinsurers, and any change in double tax avoidance agreement on applicability of withholding taxes would result in additional compliance. Any adverse order passed by the appellate authorities/tribunals/courts would have an effect on our profitability.

Similarly, in relation to the applicable law on indirect taxation, the Government of India has notified a comprehensive national GST regime that combines taxes and levies by the central and state Governments into one unified rate of interest with effect from July 1, 2017. The GST rate of 18% is listed for general insurance services as compared with the applicable service tax rate of 15%. The increased cost of insurance due to the introduction of GST may reduce consumer demand. Under GST, we continue to be affected due to disallowance of input tax credit on exempted business. During the half year ended September 30, 2018 and the financial year 2018, we had underwritten exempt premium, such as weather and crop insurance premium of ₹9,253.36 million and ₹11,811.42 million, respectively, which had a consequential effect of disallowance of ₹35.39 million and ₹72.87 million, respectively, in tax credits. Further, certain tax positions under the service tax may undergo a change in the GST.

We cannot predict whether any tax laws or regulations impacting insurance products will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

66. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past, and despite significantly low levels of inflation in recent periods, according to the RBI's Monetary Policy Report of April 2017, there are broad-based inflation pressures, which make the inflation outlook for the financial year 2018 challenging. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the amount of premium at a proportional rate in order to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

67. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

We are incorporated in and our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing Indian financial markets and the Indian economy, in particular growing household and business earnings and expenditure in India which is fundamental to growth in the insurance industry. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, the financial year or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- any down-turn in the Indian motor industry;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its insurance sector.

68. Changing climate conditions and weather patterns may expose us to further losses.

Many scientists indicate that the world's overall climate is getting warmer and at times unpredictable. Climate change, to the extent it produces rising temperatures and changes in weather patterns, could affect the frequency and/or severity of adverse or extreme weather events, the affordability, availability and adequacy of our catastrophe reinsurance coverage, and consequently our costs of operations. If there is a change in weather patterns, an increase in catastrophic weather events or if there is an increase in the unpredictability of weather conditions, we may be subjected to increased claim costs. While adverse or extreme weather events could have an effect on our various business segments, like motor, fire and engineering or health insurance, the most direct effect would be on our weather and crop insurance business, which accounted for 25.9% and 23.3% of our GDPI in the half year ended September 30, 2018 and the financial year 2018, respectively. This could adversely affect our volume of business and, consequently, our results of operations and cash flows. There is no guarantee that any such increase in claims will be adequately covered by reinsurance, or at all.

69. Any terrorist attack or nuclear disaster in India could have a continuing negative effect on our business.

Following the September 11, 2001 terrorist attacks, a need was felt by the Indian insurance market for a terrorism risk pool. Consequently, the 'Indian Market Terrorism Risk Insurance Pool' was constituted as an initiative by all general insurance companies. GIC Re manages the terrorism risk pool. While we attempt to minimize stand-alone terrorism cover or terrorist coverage in the policies we underwrite, we are exposed to terrorism risk from our participation in the terrorism pool set up by the Indian general insurance industry.
GIC Re and 11 other general insurance companies, including us, formed the India Nuclear Insurance Pool, a reinsurance arrangement to provide coverage for nuclear risks. GIC Re is the administrator of the pool and each member of the pool has a certain amount of risk ceded to it.

We monitor our overall exposure to terror strikes, nuclear disasters and other man-made catastrophes in each geographic region where we have issued coverage. However, a series of terror strikes, nuclear disasters or man-made catastrophes in a single year may result in unusually high levels of losses.

RISKS RELATING TO THE EQUITY SHARES

70. You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges .Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

71. Investors may have difficulty enforcing foreign judgements against us or our management.

We are a limited liability company incorporated under the laws of India. A majority of our Directors and executive officers are residents of India and all of our assets and such persons' assets are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India, or to enforce judgements obtained against such parties outside India.

Recognition and enforcement of foreign judgements is provided for under Section 13 of the Civil Procedure Code ("**CPC**") on a statutory basis. Section 13 of the CPC provides that foreign judgements shall be conclusive regarding any matter directly adjudicated upon, except (i) where the judgement has not been pronounced by a court of competent jurisdiction; (ii) the judgement has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgement is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgement was obtained were opposed to natural justice; (v) where the judgement has been obtained by fraud; or (vi) where the judgement sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgement, presume that the judgement was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgements. Section 44A of the CPC provides that where a foreign judgement has been rendered by a superior court, within the meaning of that section, in any country or territory outside India which the Indian central Government has formally declared to be in a reciprocating territory, it may be enforced in India as if the judgement had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees or judgements which are not of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgements, other than arbitration awards, in civil and commercial matters. Therefore, a final judgement for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgement is rendered may bring a new suit in a competent court in India based on a final judgement that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgement in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgement if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgements that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgement in India is required to obtain approval from the RBI under FEMA to execute such a judgement or to repatriate any amount recovered.

72. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre- emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

73. Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares (including under an employee benefit scheme) or the disposal of Equity Shares by our Promoter or any of our other principal shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

74. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if security transaction tax ("**STT**") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India. Further, recent Finance Act 2017 amendments provides that any income arising from the transfer of a long-term capital asset, being equity share in a company, shall not be exempted, if the transaction of acquisition of such equity shares was entered on or after October 1, 2004 without payment of STT except in certain instances as provided for in notification dated June 5, 2017 (F. No. 43/2017/F. No. 370142/09/2017-TPL). However, the Finance Act, 2018, has now levied taxes on such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

In addition, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. This amendment further provides that the Government will notify certain modes of acquisition to which the recent amendment made by Finance

Act 2017 would not be applicable and the shares acquired by such modes of acquisition would continue to get the benefit of section 10(38) of the Income Tax Act. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

75. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. Additionally, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Further, limitations on foreign debt may have an adverse effect on our business, results of operations, cash flows and financial condition.

76. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have an adverse effect on the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Indian rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. The GoI may also impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the GoI experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the GoI's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure investors that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

In addition, pursuant to the Insurance Laws (Amendment) Act, 2015, there has been a revision in the cap on aggregate holdings of equity shares by foreign investors, including portfolio investors, from the erstwhile 26% to 49% of paid-up equity share capital, provided the insurer is an Indian-owned and controlled entity.The FDI Policy also permits total foreign investment up to 49% of the paid-up equity capital of Indian insurance companies, under the automatic route, subject to verification and approval by IRDAI. For further details on the cap on foreign investment and calculation of foreign investment in insurers, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 415.If we reach the cap, our ability to attract further foreign investors would be curtailed, which may have an adverse effect on the market price of the Equity Shares.

77. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

78. We will not receive any proceeds from the Offer for Sale and the deployment of proceeds from the Fresh Issue will be subject to our discretion.

This Offer includes an Offer for Sale of up to 79,489,821 Equity Shares by the Promoter Selling Shareholder. The entire proceeds from the Offer for Sale will be paid to the Promoter Selling Shareholder and we will not receive any such proceeds. For further details, see "*Capital Structure*" and "*Objects of the Offer*" on pages 75 and 86, respectively. Further, in terms of the SEBI ICDR Regulations, no monitoring agency is required to be appointed by our Company. Accordingly, the deployment of the Net Proceeds is entirely at the discretion of our Company.

79. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Offer, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Offer Price or at all.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

80. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Offer.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until closure of the Offer.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition, or otherwise, between the dates of the submission of their Bids and the Allotment.

While we are required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the offer or cause the trading price of the Equity Shares to decline on listing.

81. Future sales of Equity Shares by our Promoter may adversely affect the market price of the Equity Shares.

After the completion of the Offer, our Promoter will own, directly, more than 51% of our outstanding Equity Shares. Upon expiry of the lock-in period provided under the SEBI ICDR Regulations, our Promoter will be eligible to sell part or all of the Equity Shares held by it. Future sales of a large number of the Equity Shares by our Promoter, either in one sale or over a series of sales, could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoter will not dispose of, pledge or encumber their Equity Shares in the future, or that the market price of the Equity Shares will not be adversely affected by any such disposal, pledge or encumbrance of their Equity Shares.

SECTION III – INTRODUCTION

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Information as of and for the Fiscal Years ended March 31, 2016, March 31, 2017 and March 31, 2018, and the six months ended September 30, 2017 and September 30, 2018.

The summary financial information presented below should be read in conjunction with our Restated Financial Information, the notes thereto and in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 323.

[***Remainder of this page intentionally kept blank***]

Restated Statement of Assets and Liabilities

(₹ in millions)

Particulars	As at				
	30-Sep-18	**30-Sep-17**	**31-Mar-18**	**31-Mar-17**	**31-Mar-16**
SOURCES OF FUNDS					
Share Capital	2,515.50	2,515.50	2,515.50	1,257.75	1,227.75
Reserves and Surplus	12,517.15	10,793.50	11,535.65	11,219.06	9,061.78
Share Application Money Pending Allotment	-	-	-	-	900.00
Fair Value Change Account- Shareholder	(49.96)	15.36	(11.34)	15.00	(19.81)
Fair Value Change Account- Policyholder	(264.66)	66.87	(66.90)	77.31	(119.73)
Borrowings	2,800.00	2,300.00	2,300.00	2,300.00	-
TOTAL	**17,518.03**	**15,691.23**	**16,272.91**	**14,869.12**	**11,049.99**
APPLICATION OF FUNDS					
Investments – Shareholders	13,648.78	13,591.18	11,590.84	10,934.32	7,642.16
Investments – Policyholders	72,849.96	59,211.28	68,397.80	56,308.34	46,171.57
Loans	-	-	-	-	-
Fixed Assets	338.79	309.00	361.25	321.74	339.18
Deferred Tax Assets	372.74	372.74	372.74	372.74	364.18
Current Assets					
Cash and Bank Balances	1,580.66	905.16	3,373.15	1,252.85	1,013.02
Advances and Other Assets	16,893.11	14,691.53	9,376.83	7,573.30	7,418.37
Sub-Total (A)	**18,473.77**	**15,596.69**	**12,749.98**	**8,826.15**	**8,431.39**
Current Liabilities	69,305.46	58,617.79	63,436.08	51,160.00	42,648.57
Provisions	18,860.55	14,771.87	13,763.62	10,734.17	9,249.92
Sub-Total (B)	**88,166.01**	**73,389.66**	**77,199.70**	**61,894.17**	**51,898.49**
Net Current Assets (C = A - B)	**(69,692.24)**	**(57,792.97)**	**(64,449.72)**	**(53,068.02)**	**(43,467.10)**
Miscellaneous Expenditure (to the extent not written off or adjusted)	**-**	**-**	**-**	**-**	**-**
Debit Balance in Profit & Loss Account	**-**	**-**	**-**	**-**	**-**
TOTAL	**17,518.03**	**15,691.23**	**16,272.91**	**14,869.12**	**11,049.99**

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

Restated Statement of Profit & Loss Account

(₹ in millions)

Particulars	For the half year ended September 30,		For the year ended March 31		
	2018	2017	2018	2017	2016
Operating Profit / (Loss)					
a. Fire Insurance	53.66	24.99	159.67	35.98	145.94
b. Marine Insurance	(58.97)	26.85	37.07	45.62	(174.06)
c. Miscellaneous Insurance	820.31	522.68	1,023.74	422.03	450.05
Income from Investments					
a. Interest, Dividends & Rent - Gross	508.00	494.54	801.81	772.87	630.53
b. Profit on sale / redemption of investments	23.68	83.16	87.13	239.86	128.73
c. (Loss on sale / redemption of investments)	(1.98)	(13.08)	(13.40)	(17.54)	(0.90)
Other Income					
a. Profit/(Loss) on sale/discard of assets	0.11	(0.17)	(0.77)	(0.07)	0.99
b. Miscellaneous Income	0.48	1.93	18.52	5.21	5.65
c. Excess Provision Written Back	14.05	2.57	3.20	4.48	-
TOTAL (A)	**1,359.34**	**1,143.47**	**2,116.97**	**1,508.44**	**1,186.93**
Provisions (Other than taxation)					
a. For diminution in the value of investments (net)	35.00	-	-	-	-
b. For doubtful debts	38.80	75.54	148.94	16.41	19.11
c. Bad debt w/off	-	0.03	27.16	2.36	38.98
Less:- Provision held	-	-	(26.14)	-	(38.69)
Other Expenses					
a. Expenses other than those related to Insurance Business					
- Employee's remuneration and welfare benefits	13.09	11.02	19.26	15.75	13.18
- Managerial remuneration	6.20	26.20	32.40	27.40	23.40
- Amorisation of Debenture Expenses	1.47	1.46	2.92	1.94	-
- Interest on Statutory Liability	-	7.90	18.76	-	-
- Share Issue Expenses	-	8.50	8.50	-	-
- Expenditure on Reduction of Share Capital	-	-	-	1.51	-
b. Interest on refunds	-	-	-	-	3.38
c. Finance Costs	26.11	-	1.30	16.64	105.17
d. Interest on Non Convertible Debenture	104.94	104.94	209.30	131.43	-
e. Corporate Social Responsibility Expense	0.10	-	20.72	16.27	3.51
f. Penalty	0.50	-	3.82	-	1.00
g. Exchange Gain / (loss)	-	-	-	-	-
TOTAL (B)	**226.21**	**235.59**	**466.94**	**229.71**	**169.04**
Profit / (Loss) Before Tax	**1,133.13**	**907.88**	**1,650.03**	**1,278.73**	**1,017.89**
Provision for Taxation					
Current Tax	196.50	188.33	384.53	299.80	207.17
Short Provision for earlier year	-	-	-	-	-
Deferred Tax	-	-	-	(8.55)	9.36
MAT Credit	(196.50)	(188.33)	(384.53)	(299.80)	(207.17)
Net Profit /(Loss) After Tax	**1,133.13**	**907.88**	**1,650.03**	**1,287.28**	**1,008.53**
Appropriations:					
(a) Interim dividends paid during the period	-	-	-	-	-
(b) Final dividend	125.78	62.89	62.89	-	-
(c) Dividend Distribution Tax	25.85	12.80	12.80	-	-
(d) Debenture Redemption Reserve	31.94	31.94	63.89	63.89	-
Profit / (Loss) After appropriations	**949.56**	**800.25**	**1,510.45**	**1,223.39**	**1,008.53**
Balance of Profit / Loss brought forward from last year	3,740.82	2,230.37	2,230.37	1,006.98	(8,189.63)
Less: - Adjusted as per capital reduction scheme	-	-	-	-	(8,188.08)
Balance carried forward to Balance Sheet	**4,690.38**	**3,030.62**	**3,740.82**	**2,230.37**	**1,006.98**
Basic Earnings Per Share	4.50	3.61	6.56	5.12	4.11
Diluted Earnings Per Share	4.50	3.61	6.56	5.12	3.96

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

Restated Statement of Receipts and Payments Account

(₹ in millions)

Particulars	For the half year ended September 30,		For the year ended March 31,		
	2018	2017	2018	2017	2016
Cash flows from operating activities :					
Direct Premiums received	30,169.43	22,840.79	49,687.05	39,383.52	27,716.61
Payment to re-insurers, net of commissions and claims	(1,562.38)	(1,025.09)	(4,007.79)	(3,776.01)	(14.57)
Payment to co-insurers, net of claims recovery	(549.00)	(500.24)	41.39	(196.86)	(81.41)
Direct Claims Paid	(17,985.21)	(13,283.27)	(27,465.66)	(22,253.73)	(20,408.91)
Direct Commission / Brokerage Payments	(2,008.75)	(952.49)	(2,380.49)	(1,139.57)	(1,156.39)
Payment of other operating expenses	(3,995.15)	(3,937.80)	(7,944.67)	(7,707.22)	(6,101.77)
Preliminary and pre-operating expenses	-	-	-	-	-
Deposits, Advances, and Staff loans	(1,522.66)	(2,261.11)	744.63	1,953.24	(172.49)
Service Tax/ GST (Net)	(304.01)	335.26	89.16	(121.15)	68.73
Income tax paid (Net)	(325.94)	(213.53)	(380.57)	(241.12)	(196.42)
Wealth tax paid	-	-	-	-	-
Misc Receipts/payments	3.07	2.14	232.29	5.53	13.70
Cash flow before extraordinary items	**1,919.40**	**1,004.66**	**8,615.34**	**5,906.63**	**(332.92)**
Cash flow from extraordinary operations	-	-	-	-	-
Cash flow from operating activities (A)	**1,919.40**	**1,004.66**	**8,615.34**	**5,906.63**	**(332.92)**
Cash flows from investing activities :					
Purchase of investments	(21,182.38)	(54,350.14)	(76,320.93)	(1,11,891.71)	(65,911.23)
Sale of Investments (Including gain/ loss)	14,025.80	49,380.69	62,430.73	98,028.33	59,709.62
Purchase of fixed assets	(53.03)	(72.93)	(216.73)	(169.61)	(175.45)
Proceeds from sale of fixed assets	0.46	0.77	2.41	23.67	12.13
Rent/ Interest/ Dividends received	3,019.06	2,739.25	5,211.66	4,338.06	4,546.70
Investment in money market instruments and in liquid mutual funds (Net)	718.81	687.02	2,664.64	2,201.85	2,059.43
Repayment received on Loan Given	-	-	-	-	-
Expenses related to investments	(13.09)	(7.42)	(19.27)	(15.75)	(13.18)
Net Cash flow from investing activities (B)	**(3,484.37)**	**(1,622.76)**	**(6,247.49)**	**(7,485.16)**	**228.02**
Cash flows from financing activities :					
Proceeds from Issuance of Share Capital	-	-	-	-	-
Share Application Money Received	-	-	-	-	-
Proceeds from Borrowings (net)	500.00	-	-	2,300.00	-
Borrowings issue expenses	-	-	-	(29.29)	-
Interest/ Dividend Paid	(387.03)	(284.99)	(286.29)	(17.34)	(105.17)
Cash flow from financing activities (C)	**112.97**	**(284.99)**	**(286.29)**	**2,253.37**	**(105.17)**
Net increase in cash & cash equivalents (A+B+C)	**(1,452.00)**	**(903.09)**	**2,081.56**	**674.84**	**(210.07)**
Cash and cash equivalents at the beginning of the period	3,009.71	928.15	928.15	253.31	463.38
Cash and cash equivalents at the end of the period including Bank Overdraft	**1,557.71**	**25.06**	**3,009.71**	**928.15**	**253.31**
Cash and cash Equivalent at the end of the period:					
Cash & Bank balance as per Annexure XIX	1,580.66	905.16	3,373.15	1,252.85	1,013.02
Less: Temporary book over draft as per Annexure XXI	(22.95)	(880.10)	(363.44)	(324.70)	(759.71)
Cash and Cash Equivalent at the end including Bank Overdraft	**1,557.71**	**25.06**	**3,009.71**	**928.15**	**253.31**

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

THE OFFER

The following table summarises the Offer details:

Offer^	**Up to [●] Equity Shares aggregating up to ₹ [●] million**
Including	
Reliance Capital Shareholders' Reservation Portion of up to 10% of the Offer	Up to [●] Equity Shares
Net Offer	Up to [●] Equity Shares
Of which:	
Fresh Issue(1)	Up to [●] Equity Shares aggregating up to ₹ 2,000 million
Offer for Sale(2) by Reliance Capital	Up to 79,489,821 Equity Shares aggregating up to ₹ [●] million
The Offer consists of:	
A. QIB Portion	[●] Equity Shares
Of which:	
Anchor Investor Portion*	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which:	
Mutual Fund Portion	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Portion	Not less than [●] Equity Shares
C. Retail Portion	Not less than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	251,549,920 Equity Shares
Equity Shares outstanding after the Offer	Up to [●] Equity Shares
Use of proceeds of this Offer	See "*Objects of the Offer*" on page 86 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

* *Our Company and the Promoter Selling Shareholder may, in consultation with the GCBRLMs and the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page* 397.

(1) *Our Board has authorised the Offer, pursuant to their resolutions dated September 8, 2017, read with the resolutions passed by our Board on January 12, 2018 and January 11, 2019. Our Shareholders have authorised the Offer pursuant to their resolutions dated September 11, 2017 read with their resolutions dated January 12, 2018 and January 30, 2019. Our IPO Committee has approved the Fresh Issue size pursuant to its resolution dated February 8, 2019.*

(2) *The Offer for Sale of up to 79,489,821 Equity Shares has been authorised by Reliance Capital pursuant to a resolution of its board of directors dated February 8, 2019 read with its consent letter dated February 8, 2019.*

Allocation to Bidders in all categories, except the Retail Portion and Anchor Investor Portion, if any, shall be made on a proportionate basis. For further details, see "Offer Procedure" on page 397.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category (including the Reliance Capital Shareholders' Reservation Portion), except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the GCBRLMs and the BRLMs and the Designated Stock Exchange. The unsubscribed portion if any, in the Reliance Capital Shareholders' Reservation Portion shall be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such undersubscription shall be permitted from the Reliance Capital Shareholders' Reservation Portion.

GENERAL INFORMATION

Our Company is presently known as 'Reliance General Insurance Company Limited', our Registered Office is located at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710, Maharashtra, India, and our Corporate Office is at Reliance Centre, South Wing, 4th Floor, Off. Western Express Highway, Santacruz (East), Mumbai 400 055, Maharashtra, India. The company registration number of our Company is 128300 and our CIN is U66603MH2000PLC128300. Our Company is registered with the Registrar of Companies, Mumbai, located at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.

For details of changes in the name and registered office address of our Company, see '*History and Certain Corporate Matters*' on page 188.

Board of Directors

The table below sets forth the details of the constitution of our Board.

Name	Designation	DIN	Address
Rajendra Prabhakar Chitale	Chairman and Independent Director	00015986	131/B, Tanna Residency Bayview, opposite Siddhi Vinayak Temple, 392, V.S.Marg, Prabhadevi Mumbai 400 025 Maharashtra, India
Haris Ansari	Independent Director	02155529	Flat No 503, Serin Nyati Enclave, Mohammadwadi, Pune, Maharashtra, India 411 028
Dr. Thomas Mathew	Independent Director	05203948	Apartment 402, Fourth Floor, Tower A-2, Unitech World Spa East, Sectors 30 and 41, Gurgaon 122001, Haryana, India
Chhaya Virani	Independent Director	06953556	407 Panchsheel, C Road, P.M. Shukla Marg, Churchgate, Mumbai 400 020, Maharashtra, India
Rahul Sarin	Independent Director	02275722	Tower-2, Flat - 1201, Vipul Belmonte, Golf Course Road, Sector - 53, Gurgaon 122 011, Haryana, India
Jai Anmol Ambani	Non-Executive Director	07591624	39, Sea Wind, Cuffe Parade, Colaba, Mumbai 400 005, Maharashtra, India
Rakesh Jain	Executive Director and CEO	03645324	B-701, Velentine Apartments, Pimplipada, Gen. A.K. Vaidya Marg, Goregaon-Mulund Link Road, Malad (East) Mumbai 400 097, Maharashtra, India

For brief profiles of our Directors, please see "*Our Management*" on page 192.

Selling Shareholder

The selling shareholder in the Offer is Reliance Capital, our Promoter.

Company Secretary and Compliance Officer for the Offer

Mohan Khandekar is the Company Secretary and Compliance Officer for the Offer of our Company. His contact details are as follows:

H Block, 1st Floor,
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
Tel: +91 22 3303 1000
E-mail: rgicl.compsec@relianceada.com

Joint Statutory Auditors of our Company

Price Waterhouse Chartered Accountants LLP
Chartered Accountants
252 Veer Savarkar Marg,
Shivaji Park, Dadar,
Mumbai 400 028.
Tel.: +91 22 6669 1000
E-mail: ipo.gn@in.pwc.com
ICAI Firm Registration Number:

Pathak H.D. & Associates
Chartered Accountants
814-815, Tulsiani Chambers, 212,
Nariman Point,
Mumbai, 400 021
Tel.: +91 22 3022 8508
Email: raudit@phd.ind.in
ICAI Firm Registration Number: 107783W

012754N/N500016 **Peer Review Number**: 008946
Peer Review Number: 011322

Changes in Statutory Auditors

For the Fiscal Year 2018 and for the six months ended September 30, 2018, Pathak H.D. & Associates, Chartered Accountants and Price Waterhouse Chartered Accountants LLP, Chartered Accountants are our Joint Statutory Auditors. Details of changes of the statutory auditors of our Company during the last three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name of statutory auditor	Date of change	Reason
Singhi & Co., Chartered Accountant B2 402 B, Marathon Innova, 4th Floor, Off Ganpatrao Kadam Marg, Opposite Peninsula Corporate Park, Lower Parel, Mumbai - 400 013, Maharashtra, India **E-mail:** mumbai@singhico.com **ICAI Firm Registration Number:** 302049E **Peer Review Number:** 009167	August 12, 2016	Completion of the term as joint statutory auditor
Haribhakti & Co. LLP, Chartered Accountant 705, Leela Business Park, Andheri Kurla Road, Andheri East, Mumbai – 400059, Maharashtra, India **Tel.:** +91 22 6672 9999 **E-mail:** purushottam.nyati@haribhakti. co. in **ICAI Firm Registration Number:** 103523W/W100048 **Peer Review Number:** 010030	August 12, 2016 June 29, 2017	Appointment as joint statutory auditor Completion of the term as joint statutory auditor
Price Waterhouse LLP, Chartered Accountants 252 Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai 400 028. **E-mail:** ipo.gn@in.pwc.com **ICAI Firm Registration Number:** 012754N/N500016 **Peer Review Number**: 011322	June 29, 2017	Appointment as joint statutory auditor

Global Coordinators and Book Running Lead Managers

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower, Rahimtullah, Sayani Road,
Opposite Parel ST Depot, Prabhadevi,
Mumbai - 400 025,
Maharashtra, India
Tel: +91 22 3846 4380
E-mail: rgic.ipo@motilaloswal.com
Investor Grievance E-mail:
moiaplredressal@motilaloswal.com
Website: www.motilaloswalgroup.com
Contact Person: Subodh Mallya/Kristina Dias
SEBI Registration No.: INM000011005

CLSA India Private Limited
8 / F Dalamal House
Nariman Point
Mumbai 400 021, Maharashtra, India
Tel: +91 22 6650 5050
E-mail: rgicl.ipo@clsa.com
Investor Grievance E-mail:
investor.helpdesk@clsa.com
Website: www.india.clsa.com
Contact Person: Rahul Choudhary
SEBI Registration No.: INM000010619

Credit Suisse Securities (India) Private Limited
9th Floor, Ceejay House, Plot F,
Shivsagar Estate, Dr. Annie Besant Road, Worli,
Mumbai 400 018,
Maharashtra, India
Tel: +91 22 6777 3777
E-mail: list.projectgenuine@credit-suisse.com
Investor grievance e-mail:
list.igcellmerbnkg@credit-suisse.com
Website: https://www.credit-suisse.com/in/en/investment-banking/regional-presence/asia-pacific/india/ipo.html
Contact Person: Ashish Zambre
SEBI registration no.: INM000011161

Book Running Lead Managers

Haitong Securities India Private Limited
1203A, Floor 12A, Tower 2A, One Indiabulls Centre,
841, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013 Maharashtra, India
Tel: +91 22 4315 6857
E-mail: reliancegi.ipo@htisec.com
Website: http://www.htisec.com/en-us/haitong-india
Investor Grievance e-mail:
India.Compliance@htisec.com
Contact person: Hardik Doshi
SEBI Registration Number: INM000012045

IndusInd Bank Limited
11th Floor, Tower 1, One Indiabulls Centre,
841, Senapati Bapat Marg
Elphinstone Road
Mumbai 400 013
Maharashtra, India
Tel: +91 22 7143 2208
E-mail: joshi.rahul@indusind.com
Investor grievance ID:
investmentbanking@indusind.com
Website: www.indusind.com
Contact person: Rahul Joshi
SEBI registration number: INM000005031

YES Securities (India) Limited
IFC, Tower 1&2, Unit No. 602 A, 6th Floor
Senapati Bapat Marg
Elphinstone (West)
Mumbai 400 013
Tel: +91 22 3012 6919
E-mail: rgic.ipo@yessecuritiesltd.in
Investor Grievance E-mail: igc@yessecuritiesltd.in
Website: www.yesinvest.in
Contact Person: Nikhil Bhiwapurkar
SEBI Registration No.: INM000012227

Statement of inter-se allocation of responsibilities among the GCBRLMs and the BRLMs

The responsibilities and coordination by the GCBRLMs and the BRLMs for various activities in this Offer are as follows:

Sr. no.	Activities	Responsibility	Coordination
1.	Due diligence of Company's operations / management / business / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus including memorandum containing salient features of the Prospectus, abridged prospectus and application form. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	Managers	Motilal Oswal
2.	Capital Structuring with relative components and formalities such as type of instruments, etc.	Managers	Motilal Oswal
3.	Drafting and approval of all statutory advertisements and other publicity material including corporate advertisements, brochures, media monitoring, etc.	Managers	IndusInd
4.	Appointment of other intermediaries viz., Registrar, Printer, Share Escrow Agent, Advertising Agency and Bankers to the Offer	Managers	Haitong
5.	Preparation of road show presentation and frequently asked questions	Managers	CLSA
6.	International institutional marketing strategy • Finalise the list and division of investors for one to one meetings, in consultation with the Company, and • Finalising the International road show schedule and investor meeting schedules	Managers	CLSA
7.	Domestic institutions / banks / mutual funds marketing strategy	Managers	Credit Suisse and YES

Sr. no.	Activities	Responsibility	Coordination
	• Finalise the list and division of investors for one to one meetings, institutional allocation in consultation with the Company; • Finalising the list and division of investors for one to one meetings, and Finalising investor meeting schedules		Securities
8.	Non-Institutional and Retail marketing of the Offer, which will cover, inter alia, • Formulating marketing strategies, preparation of publicity budget • Finalise Media and PR strategy; • Finalising centers for holding conferences for press and brokers; • Finalising collection centers; • Follow-up on distribution of publicity and Issuer material including forms, prospectus and deciding on the quantum of the Offer material.	Managers	Motilal Oswal
9.	Co-ordination with Stock Exchange for Book Building software, bidding terminals, mock trading, payment of 1% security deposit and intimation of anchor allocation	Managers	YES Securities
10.	Finalisation of pricing, in consultation with the Company	Managers	CLSA
11.	Post-Issue activities, which shall involve essential follow-up with bankers to the Issue and SCSBs to get estimates of collection and advising the Company about the closure of the Issue based on correct figures, finalisation of the basis of allotment, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Promoter Selling Shareholders and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for release of 1% security deposit post closure of the Issue.	Managers	YES Securities

Registrar to the Offer

Karvy Fintech Private Limited (formerly KCPL Advisory Services Private Limited)
Karvy Selenium Tower B, Plot 31 & 32
Gachibowli, Financial District
Nanakramguda,
Hyderabad 500 032
Telangana, India
Tel: +91 40 6716 2222
E-mail: einward.ris@karvy.com
Investor grievance e-mail: rgic.ipo@karvy.com
Website: https://www.karvyfintech.com/
Contact person: M Murali Krishna
SEBI Registration No.: INR000000221*
**The registration is currently under the name of Karvy Computershare Private Limited. Karvy Fintech Private Limited has filed an application with the SEBI for registration under its new name, which is currently pending*

Legal Counsel to our Company as to Indian Law

L&L Partners*
20th Floor, Tower 2, Unit A2
Indiabulls Finance Centre, Elphinstone Road, Senapati
Bapat Marg
Mumbai 400 013
Maharashtra, India
Tel: (91 22) 6630 3600
**Formerly known as Luthra & Luthra Law Offices*

Legal Counsel to GCBRLMs and BRLMs as to Indian Law

Khaitan & Co
One Indiabulls Centre
13th Floor, Tower 1
841, Senapati Bapat Marg
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6636 5000

Special United States Legal Counsel to GCBRLMs and BRLMs

Sidley Austin LLP
Level 31
Six Battery Road
Singapore 049909
Tel.: +65 6230 3900

Legal Counsel to Reliance Capital as to Indian Law

L&L Partners*
1st and 9th Floors, Ashoka Estate
Barakhamba Road
New Delhi 110 001
Delhi, India
Tel.: +91 11 4121 5100
**Formerly known as Luthra & Luthra Law Offices*

Bankers to our Company

Axis Bank Limited
D-Definity, Premises Co-operative Society
Jau Prakash Road number 1
Goregaon (East)
Mumbai 400 063
Maharashtra, India
Tel.: +91 22 2686 5431
E-mail: goregaoneast.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Anil David Pareira

HDFC Bank Limited
HDFC Bank House
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 3395 8190
E-mail: tushar.tambe@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Tushar Tambe

YES Bank Limited
YES Bank Tower, IFC 2
15th Floor, Senapati Bapat Marg
Elphinstone (West), Mumbai 400 013
Maharashtra, India
Tel: +91 22 3347 9608
E-mail: reena.damani@yesbank.in
Website: www.yesbank.in
Contact Person: Reena Damani

Syndicate Members

[●]

Escrow Collection Bank(s)/ Refund Bank(s)/Public Issue Account Bank

[●]

Sponsor Bank

[●]

Designated Intermediaries

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other websites as updated from time to time. For details of the Designated Branches which shall collect ASBA Forms from the Bidders and Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.* through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number, and e-mail address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, or such other websites as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number, and e-mail address, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Trustees

As this is an offer of Equity Shares, there are no trustees appointed for the Offer.

Monitoring Agency

In accordance with the proviso to Regulation 41(1) of the SEBI ICDR Regulations, no monitoring agency will be appointed for the Offer.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity is appointed for the Offer.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at the Securities and Exchange Board of India, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the RoC at Registrar of Companies, Mumbai at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.

Book Building Process

"Book building" refers to the process of collection of Bids from investors on the basis of this Draft Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, and advertised in all editions of the English national daily newspaper the [●], all editions of the Hindi national daily newspaper [●], and [●] edition of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Offer Price shall be determined by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, after the Bid/ Offer Closing Date. The principal parties involved in the Book Building Process are:

(1) our Company;
(2) the Promoter Selling Shareholder;
(3) the GCBRLMs and the BRLMs;
(4) the Syndicate Members;
(5) the Registrar to the Offer;
(6) the Escrow Collection Banks, Public Issue Account Banks and Sponsor Banks;
(7) the SCSBs;
(8) the CDPs;
(9) the RTAs; and
(10) the Registered Brokers.

All Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Bank, as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Reliance Capital Shareholders Bidding in the Reliance Capital Shareholders' Reservation Portion (subject to the Bid Amount being up to ₹ 200,000) can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis.

For further details, see "*Offer Structure*" and "*Offer Procedure*" on pages 392 and 397 respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. The Promoter Selling Shareholder has specifically confirmed that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to the Promoter Selling Shareholder, in relation to the Offered Shares. In this regard, our Company and the Promoter Selling Shareholder have appointed the GCBRLMs and the BRLMs to manage this Offer and procure Bids for this Offer.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is registered with the RoC.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. For further details, see "*Offer Procedure*" on page 397.

- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure that the Bid cum Application Form is duly completed as per the instructions given in this Draft Red Herring Prospectus, the Red Herring Prospectus and in the respective form;

- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the State of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, are exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which are exempted from specifying, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see "*Offer Procedure*" on page 397). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;

- Ensure the correctness of your PAN, DP ID, UPI ID and Client ID and beneficiary account number given in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain details of the Bidders from the Depositories including the Bidder's name, bank account number etc., and the Stock Exchanges will validate the electronic Bid details with the Depositories records for PAN, DP ID and Client ID;

- Ensure correctness of your demographic details such as the address, UPI ID, the bank account details for printing and occupation given in the Bid cum Application Form, with the details recorded with your Depository Participant;

- Retail Individual Investors can submit their Bids by ASBA Forms which shall include their bank account linked UPI ID, either in physical or electronic mode to any of the Designated Intermediaries. UPI Bidders should ensure that the bank account linked to the UPI ID mentioned in the ASBA Form have adequate credit balance at the time of accepting the UPI Mandate Request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account to ensure that their ASBA Form is not rejected;

- Bids by ASBA Bidders will have to be submitted to the Designated Intermediaries in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission of the ASBA Forms to the Designated Intermediaries to ensure that the ASBA Form submitted by the ASBA Bidders is not rejected.

- Bids by all Bidders (except Anchor Investors) shall be submitted only through the ASBA process.

For further details, see "*Offer Procedure*" on page 397.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure*" on page 397.

Underwriting Agreement

After the determination of the Offer Price, but prior to the registration of the Prospectus with the RoC, the Promoter Selling Shareholder and our Company intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. It is proposed that pursuant to the terms of the Underwriting Agreement, each of the GCBRLMs and the BRLMs shall be severally responsible for bringing in the amount devolved in the event the respective Syndicate Member do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before the registration of the Prospectus with the RoC.)

Name, address, Tel. number and email address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount is indicative and will be finalised after determination of the Offer Price and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The Underwriting Agreement has not been entered into as on the date of this Draft Red Herring Prospectus. The Underwriting Agreement shall be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

The share capital of our Company is set forth below.

(In ₹, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at offer price
(A)	**AUTHORISED SHARE CAPITAL**		
	300,000,000 Equity Shares	3,000,000,000	-
(B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	251,549,920 Equity Shares(a)	2,515,499,200	-
(C)	**PRESENT OFFER^**		
	Offer of up to [●] Equity Shares(b)	[●]	[●]
	Comprising:		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹2,000 million	[●]	[●]
	Offer for Sale of up to 79,489,821 Equity Shares by the Promoter Selling Shareholder(c)	794,898,210	[●]
	Of which:		
	Reliance Capital Shareholders' Reservation Portion of up to 10% of the Offer^^	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
(D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER+**		
	Up to [●] Equity Shares	Up to [●]	-
(E)	**SHARE PREMIUM ACCOUNT**		
	Before the Offer *(in ₹ million)*		7,667.05
	After the Offer* *(in ₹ million)*		[●]

\+ *Assuming full subscription in the Offer*

* *To be included upon determination of the Offer Price.*

^ ^^ *10% of the size of the Offer will be available for reservation to the Reliance Capital Shareholders under the Reliance Capital Shareholders' Reservation Portion.*

(a) *Excluding the outstanding employee stock options granted pursuant to RGICL ESOP 2017.*

(b) *Our Board has authorised the Offer, pursuant to their resolutions dated September 8, 2017, read with the resolutions passed by our Board on January 12, 2018 and January 11, 2019. Our Shareholders have authorised the Offer pursuant to their resolutions dated September 11, 2017 read with their resolutions dated January 12, 2018 and January 30, 2019. Our IPO Committee has approved the Fresh Issue size pursuant to its resolution dated February 8, 2019.*

(c) *The Offer for Sale of up to 79,489,821 Equity Shares has been authorised by Reliance Capital pursuant to a resolution of its board of directors dated February 8, 2019 read with its consent letter dated February 8, 2019.*

The Promoter Selling Shareholder confirms that the Offered Shares are eligible to be offered for sale in accordance with the SEBI ICDR Regulations and have been held for a period of at least one year prior to the date of this Draft Red Herring Prospectus.

Changes in our Authorised Share Capital

For details in relation to the changes in the authorised share capital of our Company, see "*History and Certain Corporate Matters - Amendments to our Memorandum of Association*" on page 188.

Notes to Capital Structure

1. Share Capital History

A. History of equity share capital of our Company

The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Number of Equity Shares	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹)
August 17, 2000	700	10	10	Cash	Subscription to the MoA[(1)]	700	7,000
October 16, 2000	102,000,000	10	10	Cash	Further issue [(2)]	102,000,700	1,020,007,000
March 30, 2007	1,071,427	10	980	Cash	Rights issue[(3)]	103,072,127	1,030,721,270
March 31, 2008	4,081,632	10	980	Cash	Rights issue[(4)]	107,153,759	1,071,537,590
November 13, 2008	4,294,672	10	70	Cash	Preferential allotment [(5)]	111,448,431	1,114,484,310
March 30, 2009	1,632,653	10	980	Cash	Rights issue[(6)]	113,081,084	1,130,810,840
March 30, 2010	2,142,857	10	980	Cash	Rights issue[(7)]	115,223,941	1,152,239,410
December 31, 2010	1,448,979	10	980	Cash	Rights issue[(8)]	116,672,920	1,166,729,200
September 30, 2011	1,377,551	10	980	Cash	Rights issue[(9)]	118,050,471	1,180,504,710
March 31, 2012	3,142,857	10	980	Cash	Rights issue[(10)]	121,193,328	1,211,933,280
September 30, 2012	1,581,632	10	980	Cash	Rights issue[(11)]	122,774,960	1,227,749,600
July 18, 2016	3,000,000	10	300	Cash	Rights issue[(12)]	125,774,960	1,257,749,600
August 10, 2017	125,774,960	10	-	Bonus	Allotment pursuant to bonus issuance of one Equity Share for every one Equity Share held on the record date, i.e., August 10, 2017 carried through capitalisation of ₹1,257,749,600 standing to the credit of the securities premium account of our Company. [(13)]	251,549,920	2,515,499,200

(1) 100 Equity Shares each were allotted to Rohit C. Shah, Surendra Pipara, Kalpana Srinivasan, Mangal Kulkarni, Sandeep Tandon, Atul Dayal and Surinder Kumar Kanwar pursuant to subscription to the Memorandum of Association of our Company.
(2) 102,000,000 Equity Shares were allotted to Reliance Industries Limited.
(3) 1,071,427 Equity Shares were allotted to Reliance Capital.
(4) 4,081,632 Equity Shares were allotted to Reliance Capital.
(5) 4,294,672 Equity Shares were allotted to the Reliance General Insurance Employees Benefit Trust.
(6) 1,632,653 Equity Shares were allotted to Reliance Capital.
(7) 2,142,857 Equity Shares were allotted to Reliance Capital.
(8) 1,448,979 Equity Shares were allotted to Reliance Capital.
(9) 1,377,551 Equity Shares were allotted to Reliance Capital.
(10) 3,142,857 Equity Shares were allotted to Reliance Capital.
(11) 1,581,132 Equity Shares were allotted to Reliance Capital.
(12) 3,000,000 Equity Shares were allotted to Reliance Capital.
(13) 125,774,960 Equity Shares were allotted to Reliance Capital, including six Equity Shares allotted jointly to Reliance Capital along with each of (i) Yogesh V. Deshpande, (ii) Madan Mohan Chaturvedi, (iii) Atul Kumar Tandon, (iv)Parul Jain, (v) K. Kannan Chettiar and (vi) Chetan Shantilal Raval.

B. ***Shares issued for consideration other than cash or through bonus***

Our Company has not issued Equity Shares for consideration other than cash. Details of Equity Shares issued through bonus are as follows:

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price (₹)	Reasons for allotment	Allottees	Benefits accrued to our Company
August 10, 2017	125,774,960	10	-	Allotment pursuant to bonus issuance of one Equity Share for every one Equity Share held on the record date, i.e., August 10, 2017 carried through capitalisation of ₹1,257,749,600 standing to the credit of securities premium account of our Company.	125,774,960 Equity Shares were allotted to Reliance Capital, including six Equity Shares allotted jointly to Reliance Capital along with each of Yogesh Deshpande, Madan Mohan Chaturvedi, Atul Kumar Tandon, Parul Jain, Kannan Chettiar and Chetan Raval.	-

Our Company has not issued any bonus shares out of capitalisation of its revaluation reserves or unrealised profits.

2. **History of build-up of Promoter's shareholding and lock-in of Promoter's shareholding (including Promoter's contribution)**

a) ***Build-up of Promoter's shareholding in our Company***

Set forth below is the build-up of the Equity Shares held by our Promoter since the incorporation of our Company:

Date of allotment/ transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue/ acquisition/transfer price per Equity Share (₹)	% of the pre-Offer equity share capital	% of the post-Offer equity share capital
January 15, 2002	Transfer of Equity Shares from Reliance Industries Limited	76,500,525	Cash	10	10	30.41 %	[●]%
July 17, 2006	Transfer of Equity Shares from Reliance Capital Ventures Limited	25,500,175	Other than cash	10	10	10.14 %	[●]%
March 30, 2007	Rights issue	1,071,427	Cash	10	980	0.43%	[●]%
March 31, 2008	Rights issue	4,081,632	Cash	10	980	1.62%	[●]%
March 30, 2009	Rights issue	1,632,653	Cash	10	980	0.65%	[●]%
March 30, 2010	Rights issue	2,142,857	Cash	10	980	0.85%	[●]%
December 31, 2010	Rights issue	1,448,979	Cash	10	980	0.58%	[●]%
September 30, 2011	Rights issue	1,377,551	Cash	10	980	0.55%	[●]%

Date of allotment/ transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue/ acquisition/transfer price per Equity Share (₹)	% of the pre-Offer equity share capital	% of the post-Offer equity share capital
March 31, 2012	Rights issue	3,142,857	Cash	10	980	1.25%	[●]%
September 30, 2012	Rights issue	1,581,632	Cash	10	980	0.63%	[●]%
April 8, 2014	Transfer of Equity Shares from Reliance General Insurance Employee Benefit Trust	3,630,372	Cash	10	70	1.44%	[●]%
May 31, 2016	Transfer of Equity Shares from Reliance General Insurance Employee Benefit Trust	664,300	Cash	10	70	0.26%	[●]%
July 18, 2016	Rights issue	3,000,000	Cash	10	300	1.19%	[●]%
August 10, 2017	Bonus issue	125,774,960	-	10	-	50%	[●]%
Total		**251,549,920**+				**100%**	[●]%

+ *Includes 12 Equity Shares of which two Equity Shares each are held by Reliance Capital jointly with: (i) Yogesh V. Deshpande, (ii) Madan Mohan Chaturvedi, (iii) Atul Kumar Tandon, (iv)Parul Jain, (v) K. Kannan Chettiar and (vi) Chetan Shantilal Raval*.

All the Equity Shares held by our Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares.

None of the Equity Shares held by our Promoter are pledged.

b) Shareholding of our Promoter, the members of our Promoter Group, and the directors of our Promoter

Except our Promoter, none of the members of the Promoter Group holds any Equity Shares, details of which are as set forth below:

Sr. No.	Name of shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares	Percentage of post-Offer capital+
Promoter					
1.	Reliance Capital Limited	251,549,920*	100%	[●]	[●]%

* *Includes 12 Equity Shares held jointly by Reliance Capital Limited along with: (i) Yogesh V. Deshpande, (ii) Madan Mohan Chaturvedi, (iii) Atul Kumar Tandon, (iv)Parul Jain, (v) K. Kannan Chettiar and (vi) Chetan Shantilal Raval.*

+ *Assuming full subscription in the Offer*

As on the date of this Draft Red Herring Prospectus, none of the directors of our Promoter hold any Equity Shares.

All Equity Shares held by our Promoter are in dematerialised form.

c) Details of Promoter's contribution locked in for three years

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter shall be considered as minimum promoter's contribution and locked-in for a period of three years from the date of Allotment ("**Promoter's Contribution**"). As on the date of this Draft Red Herring Prospectus, our Promoter holds 251,549,920 Equity Shares, constituting 100% of our Company's issued, subscribed and paid-up equity share capital, all of which are eligible for Promoter's Contribution.

Reliance Capital has pursuant to its letter dated February 8, 2019, given consent to include such number of Equity Shares held by it as may constitute 20% of the fully diluted post-Offer equity share capital of our Company (assuming exercise of all vested employee stock options, if any) as Promoter's Contribution and has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter's Contribution from the date of this Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoter's Contribution are as provided below:

Name of the Promoter	No. of Equity Shares* locked-in	Date of allotment/transfer#	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share (₹)	Nature of transaction	% of the pre-Offer paid-up capital	% of the fully diluted post-Offer paid-up Capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]

 # Equity Shares were fully paid-up on the date of allotment/acquisition.

The Equity Shares that are being locked-in for computation of Promoter's Contribution are not, and will not be, ineligible under Regulation 15 of the SEBI ICDR Regulations. In particular, these Equity Shares do not, and shall not, consist of:

(i) Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) which are bonus shares issued out of revaluations reserves or unrealised profits or against Equity Shares which are otherwise ineligible for computation of Promoter's Contribution;

(ii) Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Equity Shares issued to the Promoter in the last one year preceding the date of this Draft Red Herring Prospectus upon conversion of a partnership firm or limited liability partnership firm since our Company was not formed pursuant to the conversion of a partnership firm or limited liability partnership to a company; and

(iv) Equity Shares held by the Promoter that are subject to any pledge or any other form of encumbrance.

3. *Sales or purchases of Equity Shares or other specified securities of our Company by our Promoter, the other members of our Promoter Group, directors of our Promoter, or our Directors or their relatives during the six months immediately preceding the date of this Draft Red Herring Prospectus.*

None of our Promoter, other members of our Promoter Group, directors of our Promoter, our Directors or their relatives have sold or purchased any Equity Shares or other specified securities of our Company during the six months immediately preceding the date of this Draft Red Herring Prospectus.

4. Details of share capital locked-in for one year

In terms of the SEBI ICDR Regulations, except for:

(i) the Promoter's Contribution which shall be locked in as above;

(ii) the Equity Shares allotted to employees, whether currently an employee or not pursuant to allotment under RGICL ESOP 2017; and

(iii) the Equity Shares sold or transferred by each of the Promoter Selling Shareholder pursuant to the Offer for Sale,

the entire pre-Offer equity share capital of our Company (including those Equity Shares held by our Promoter in excess of Promoter's Contribution), shall be locked in for a period of one year from the date of Allotment. Any unsubscribed portion of the Equity Shares being offered by the Promoter Selling Shareholder in the Offer for Sale would also be locked-in as required under the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter may be transferred to members of the Promoter Group or a new promoter, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than the Promoter prior to the Offer, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in the hands of the transferee, compliance with the provisions of the Takeover Regulations and the IRDAI Transfer Regulations. In addition, post listing, such persons shall also be required to comply with the provisions of the Listed Indian Insurance Companies Guidelines, including the declaration on 'fit and proper' status of such persons and approval of the IRDAI, as may be applicable.

The Equity Shares held by our Promoter which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a deposit taking housing finance company as collateral security for loans granted by such entity, provided that: (i) in case of Equity Shares locked in for three years, such Equity Shares may be pledged only if the loan has been granted to our Company or any subsidiary, for the purpose of financing one or more of the objects of the Offer; and (ii) in case of Equity Shares locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanctioned loan. Provided that the lock-in of Equity Shares shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated in these regulations has expired.

Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

5. ***Our shareholding pattern***

The table below represents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying depository receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class	Class	Total								
								Equity	NA									
(A)	**Promoter and Promoter Group**	7	251,549,920*	-	-	251,549,920*	100.00	251,549,920*	-	251,549,920*	100.00	-	100.00	-	-	-	-	251,549,920*
(B)	**Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	**Non Promoter-Non Public**																	
(C) (1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C) (2)	Shares held by Employee Trusts	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A) + (B) + (C)	7	251,549,920	-	-	251,549,920	100.00	251,549,920	-	251,549,920	100.00	-	100.00	-	-	-	-	251,549,920

* *Includes 12 Equity Shares held jointly by Reliance Capital Limited along with: (i) Yogesh V. Deshpande, (ii) Madan Mohan Chaturvedi, (iii) Atul Kumar Tandon, (iv)Parul Jain, (v) K. Kannan Chettiar and (vi) Chetan Shantilal Raval.*

6. **Shareholding of our Directors and Key Managerial Personnel in our Company**

None of our Directors and Key Managerial Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus.

7. As on the date of this Draft Red Herring Prospectus, our Company has seven shareholders of Equity Shares.

8. **Major shareholders**

(a) As on the date of this Draft Red Herring Prospectus, ten days prior to the filing of this Draft Red Herring Prospectus and as on one year prior to the date of this Draft Red Herring Prospectus:

Our Shareholders holding 1% or more of the paid up share capital, and the number of Equity Shares held by them as on date of this Draft Red Herring Prospectus, ten days prior to the filing of this Draft Red Herring Prospectus and as on one year prior to the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Number of Equity Shares held	Percentage of pre-Offer share capital
1.	Reliance Capital Limited	251,549,920*	100 %

* *Includes 12 Equity Shares held jointly by Reliance Capital Limited along with: (i) Yogesh V. Deshpande, (ii) Madan Mohan Chaturvedi, (iii) Atul Kumar Tandon, (iv)Parul Jain, (v) K. Kannan Chettiar and (vi) Chetan Shantilal Raval.*

(b) As on two years prior to filing of this Draft Red Herring Prospectus:

Our Shareholders holding 1% or more of the Paid Up Share Capital, and the number of Equity Shares held by them, as on two years prior to filing of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Number of Equity Shares held	Percentage of Pre-Offer share capital to the Equity Shares held
1.	Reliance Capital Limited	125,774,960#	100.00%

#*Includes six Equity Shares, of which one Equity Share each was held jointly by Reliance Capital Limited along with: (i) Yogesh V. Deshpande, (ii) Madan Mohan Chaturvedi, (iii) Atul Kumar Tandon, (iv)Parul Jain, (v) K. Kannan Chettiar and (vi) Chetan Shantilal Raval.*

9. ***Employee Stock Option Scheme***

Pursuant to resolutions dated July 31, 2017 and August 4, 2017, our Board and shareholders, respectively, approved the Reliance General Insurance Company Limited Employee Stock Option Scheme ("**RGICL ESOP 2017**"), to provide for the grant of options to employees of our Company who meet the eligibility criteria under RGICL ESOP 2017.

The objectives of RGICL ESOP 2017 include, *inter alia*, reward the key employees for their association, dedication and contribution to the goals of our Company.

RGICL ESOP 2017 envisages grant of an aggregate of 6,288,748 options (taking into account the effect of bonus issuance dated September 12, 2017) of with each option upon exercise, grants its holder the right to be allotted one Equity Share, upon payment of the exercise. The quantum of options that can be granted under the RGICL ESOP 2017 and the issue of Equity Shares upon its exercise are subject to corresponding fair and reasonable adjustment in the event of corporate actions by our Company including capitalisation of profits or reserves.

RGICL ESOP 2017 is in compliance with the SEBI ESOP Regulations and the Companies Act, 2013, and is accounted for in accordance with guidance notes issued by ICAI and the relevant accounting standards, as per the certificate dated February 8, 2019, from Uttam Abuwala & Co., Chartered Accountants. Further details in relation to RGICL ESOP 2017 are as follows:

Particulars	Details

Particulars	Details
Options granted	3,956,310 options (2,061,168 options granted in calendar year 2017 and 1,895,142 options granted in calendar year 2018)
Exercise price of options (in ₹)	179 per option for options granted in calendar year 2017 and 198 for options granted in calendar year 2018
Vesting period	The vesting period specified under RGICL ESOP 2017 is four years
Options vested	499,585
Options exercised	Nil
The total number of Equity Shares arising as a result of exercise of options	Nil
Options lapsed/ forfeited/ cancelled	134,404
Variation of terms of options	Nil
Money realised by exercise of options (in ₹)	Nil
Total number of options in force as on February 8, 2019	3,322,321 unvested options and 499,585 vested options
Employee-wise detail of options granted to:	
(i) Key Managerial Personnel	Other than as included in "Note 1", nil
(ii) Any other employee who received a grant in any one year of options amounting to five per cent or more of the options granted during that year	Rakesh Jain. For details please see "Note 1"
(iii) Identified employees who were granted options during any one year equal to exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil
Fully diluted EPS on pre-Offer, pursuant to exercise of options calculated in accordance with the relevant accounting standard (in ₹)	4.50
Impact on profit and on EPS of the last three years if the accounting policies as specified in the Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed in respect of options granted in the last three Fiscal Years.	N.A.
Where our Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and the impact of this difference on profits and EPS of our Company	N.A. as these options were issued using fair value of the stock
Description of the pricing formula and method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option.	The Black scholes method is used to ascertain the fair value of options. Various quantitative factors of our company were considered with assumptions of expected dividend yield, volatility, risk free interest rate and expected option life.
Intention of the Key Managerial Persons and Executive Director who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Nil
Intention to sell Equity Shares arising out of the RGICL ESOP 2017 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of RGICL ESOP 2017 amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	N.A.

Note :

Details regarding options granted to the Key Managerial Personnel under the RGICL ESOP 2017 is set forth below:

Sr. No	Name of director/key managerial personnel	Designation	ESOP granted in 2017	ESOP granted in 2018	Total number of vested options	Total number of unvested options	Total number of lapsed/ forfeited /cancelled options	Total number of options exercised	Total number of vested outstanding Options
1.	Rakesh Jain	Executive Director & Chief Executive Officer (CEO)	894,400	2,27,273	223,600	898,073	Nil	Nil	223,600
2.	Anand Singhi	Chief Distribution Officer	68,208	1,56,129	17,052	207,285	Nil	Nil	17,052
3.	Hemant Kumar Jain	Chief Financial Officer	50,940	1,08,658	12,735	146,863	Nil	Nil	12,735
4.	Ramkumar K.	Chief Investments Officer	48,118	49,489	12,030	85,577	Nil	Nil	12,030
5.	Randhir Singh	Chief Legal Claims Officer	28,376	30,358	7,094	51,640	Nil	Nil	7,094
6.	Amitabh Gupta	Chief Underwriting Officer	23,934	25,517	5,984	43,467	Nil	Nil	5,984
7.	Karthikeyan A.V.	Appointed Actuary	18,994	21,626	4,749	35,871	Nil	Nil	4,749
8.	Mohan Khandekar	Company Secretary & Chief Compliance Officer	14,814	22,351	3,704	33,461	Nil	Nil	3,704
9.	Hrishikesh Brid	Segment Head - Business Excellence	5,078	6,245	1,270	10,053	Nil	Nil	1,270
10.	Prashant Pandey	Chief Technology Officer	23,558	25,115	5,890	42,783	Nil	Nil	5,890
11.	Raman Arora	Chief Operating Officer	26,490	28,251	6,623	48,118	Nil	Nil	6,623
12.	Akhilesh Guleria	Chief Human Resources Officer	Nil	20,202	Nil	20,202	Nil	Nil	Nil
13.	Prabhdeep Batra	Chief Marketing Officer-Corporate Business	24,052	26,092	6,013	44,131	Nil	Nil	6,013
14.	Nanda Sambrani	Head-Enterprise Risk and Compliance Group	Nil	13,316	Nil	13,316	Nil	Nil	Nil

10. Our Company has not issued any Equity Shares in the last one year preceding the date of filing of this Draft Red Herring Prospectus.

11. Our Company, our Directors, the GCBRLMs and the BRLMs have not entered into any buy-back arrangements for the purchase of Equity Shares or other specified securities of our Company.

12. Neither the GCBRLMs and the BRLMs and nor their respective associates hold any Equity Shares as on the date of filing of this Draft Red Herring Prospectus. The GCBRLMs and the BRLMs and their affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

13. No person connected with the Offer, including, but not limited to the GCBRLMs and the BRLMs, the Syndicate Members, our Company, the Promoter Selling Shareholder, our Directors, or the members of the Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid.

14. Our Company has not issued any Equity Shares out of its revaluation reserves.

15. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus.

16. Except for the outstanding options granted pursuant to the RGICL ESOP 2017, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares as on the date of this Draft Red Herring Prospectus. For further details on the outstanding options granted pursuant to RGICL ESOP 2017, please see "- *Employee Stock Option Scheme*" on page 82.

17. Our Company has not allotted any Equity Shares under Sections 391 to 394 of the Companies Act, 1956, or under Sections 230 to 233 of the Companies Act, 2013.

18. Except for the Equity Shares to be allotted pursuant to (i) the Fresh Issue; and (ii) exercise of options granted pursuant to the RGICL ESOP 2017, our Company presently does not intend or propose or is under negotiation or consideration to alter the capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to receipt of necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as consideration for acquisitions or participations in such joint ventures.

19. Except for the allotment of Equity Shares pursuant to the (i) Fresh Issue, and (ii) exercise of outstanding options granted pursuant to the RGICL ESOP 2017 (if any), there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc, as the case may be.

20. None of the Equity Shares held by the members of our Promoter Group are pledged or otherwise encumbered.

21. During the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoter, other members of our Promoter Group, directors of our Promoter, our Directors or their relatives may have financed the purchase of securities of our Company by any other person.

22. Except to the extent of Equity Shares offered by Reliance Capital Limited in the Offer for Sale, our Promoter and members of our Promoter Group will not submit Bids, or otherwise participate in this Offer.

23. The Equity Shares issued pursuant to this Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

25. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group, if any, during the period between the date of registering the Red Herring Prospectus with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Offer and the Offer for Sale. The proceeds from the Offer for Sale (net of Offer related expenses to be borne by the Promoter Selling Shareholder) shall be received by the Promoter Selling Shareholder and our Company shall not receive any proceeds from the Offer for Sale.

Objects of the Fresh Issue

Our Company proposes to utilize the Net Proceeds towards meeting our future capital requirements which are expected to arise from the growth and expansion of our business, improving our solvency margin and consequently our solvency ratio. In this regard, it should be noted that "solvency ratio" is a regulatory measure of capital adequacy, calculated by dividing available solvency margin by required solvency margin, each as calculated in accordance with the IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016 ("**IRDAI Solvency Regulations**"). Currently as per IRDAI Solvency Regulations, we are required to maintain a minimum solvency ratio of 1.50 times. As of September 30, 2018 our solvency ratio was 1.71 times. The further utilization of the increased capital base of our Company post deployment of the Net Proceeds would be as per the provisions of the extant IRDAI Capital Regulations and the policy adopted by the Board to implement the growth and expansion plans of our Company's business.

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

Utilisation of the proceeds of the Fresh Issue

The details of the proceeds of the Fresh Issue are summarised below:

Particulars	Estimated Amount (in ₹ million)
Gross proceeds from the Fresh Issue+	2,000
Less Offer related expenses to be borne by our Company *	[●]
Net proceeds of the Fresh Issue after deducting the Offer related expenses to be borne by our Company ("**Net Proceeds**") +	[●]

+ *Will be incorporated after finalization of the Offer Price.*

* *Will be incorporated after finalization of the Offer Price. The Offer-related expenses shall be shared between our Company and the Promoter Selling Shareholder in proportion to the size of the Fresh Issue and the Offer for Sale respectively. All Offer-related expenses shall initially be borne by the Promoter Selling Shareholder. Upon successful completion of the Offer, our Company shall reimburse the Promoter Selling Shareholder its proportionate share of the Offer-related expenses.*

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable our Company to undertake its existing activities and the activities for which funds are being raised through the Fresh Issue.

Since the Object of the Offer is to improve the solvency ratio of our Company, no part of the Fresh Issue will go to our related parties. Upon satisfaction of the objects mentioned herein, our Company may use the funds raised in the Fresh Issue in ordinary course of our insurance business, including settlement of claims of policyholders or making investments in accordance with the applicable guidelines of the IRDAI, each of which may include related parties, to the extent permitted under applicable laws.

Schedule of Implementation and Deployment of Funds

Our Company currently proposes to deploy the Net Proceeds in the aforesaid objects in the current fiscal year.

Appraisal of the Objects

The objects of the Fresh Issue have not been appraised by any bank, financial institution or agency and we have not raised any bridge loans against the Net Proceeds.

Means of Finance

The entire requirements of the objects detailed above are intended to be funded from the Net Proceeds. Accordingly, we confirm that there is no need for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer related expenses shall be shared between our Company and the Promoter Selling Shareholder, in proportion to the number of Equity Shares being offered by our Company as part of the Fresh Issue, and by the Promoter Selling Shareholder in the Offer for Sale, respectively.

The estimated Offer related expenses are as follows:

(₹ in million)

S. No	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer Expenses*	As a % of Offer Size*
1.	Fees payable to the GCBRLMs and the BRLMs (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs **	[●]	[●]	[●]
3.	Brokerage, selling commission and bidding charges for the Members of the Syndicate, Registered Brokers, Sponsor Bank, Collecting RTAs and CDPs	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
5.	Other expenses (i) Listing fees, SEBI filing fees, book building software fees, monitoring agency (ii) Other regulatory expenses, (iii) Printing and stationery expenses (iv) Advertising and marketing expenses for the Offer (v) Fees payable to the legal counsel (vi) Other Advisors to the Offer (vii) Miscellaneous	[●] [●] [●]	[●] [●] [●]	[●] [●] [●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

* *To be completed after finalisation of the Offer Price*

** *To be completed at the time of filing the Red Herring Prospectus*

Monitoring of Utilisation of Funds

As we are an insurance company, in accordance with the proviso to Regulation 41(1) of the SEBI ICDR Regulations, there is no requirement for appointment of a monitoring agency. Our Company is raising capital to improve its solvency ratio and not for any specified project(s). To the extent applicable, our Company will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized.

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges. Upon receipt of listing and trading approvals from the Stock Exchanges, the Net Proceeds would have been applied towards the stated objects and would be utilised by our Company for normal business purposes.

Other Confirmations

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoter Selling Shareholder, Directors or our Key Management Personnel. Further, as the Net Proceeds will be utilized to our solvency ratio related requirements, no part of the Net Proceeds will be paid by our Company as consideration to the Promoter Selling Shareholder, Directors or the Key Management Personnel, except in the ordinary course of business.

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, a company shall not vary the objects of the Offer, unless authorised by its shareholders in a general meeting by way of a special resolution.

Additionally, the notice in respect of such resolution issued to the shareholders shall contain details as prescribed under the Companies Act, 2013 and such details of the notice, clearly indicating the justification for such variation, shall also be published in one English and one vernacular newspaper in the city where the registered office of the company is situated, as per the Companies Act, 2013 and the rules framed there under. Pursuant to the Companies Act, 2013, the controlling shareholders of such company are required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the objects, in accordance with the articles of association, and as may otherwise be prescribed by SEBI.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Promoter Selling Shareholder, in consultation with the GCBRLMs and the BRLMs on the basis of assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections "*Our Business*", "*Risk Factors*", "*Financial Statements*" and "*Management Discussion and Analysis"* on pages 145, 21, 234 and 323 respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following are our competitive strengths:

- Comprehensive Product Suite
- Extensive Multi-Channel Distribution Network
- Customer-centric Sustainable Business Model
- Strong Financial Position
- Strong IT Infrastructure
- Robust Enterprise Risk Management Framework
- Proficient Senior Management Team

For further details, please see "*Our Business*" and "*Risk Factors*" on pages 145 and 21, respectively.

Quantitative factors

Some of the information presented in this section relating to our Company is derived from the Restated Financial Information. Some of the quantitative factors, which form the basis for computing the Offer Price, are as follows:

1. ***Basic Earnings Per Share excluding exceptional items (Basic EPS) & Diluted Earnings Per Share excluding exceptional items (Diluted EPS)***

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weightage
Financial Year ended March 31, 2018	6.56	6.56	3
Financial Year ended March 31, 2017	5.12	5.12	2
Financial Year ended March 31, 2016	4.11	3.96	1
Weighted Average	**5.67**	**5.65**	
six-months period ended September 30, 2018*	4.50	4.50	

* *Not annualized. Refer to Note* [●] *of "Annexure V: Summary of Significant Accounting Policies and Notes to Accounts" of the Restated Financial Information for calculation of Basic EPS and Diluted EPS for the six-month period ended September 30, 2018.*

(1) *Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share'.*

(2) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]*

(3) *The above statement should be read with significant accounting policies and notes on Restated Financial Information as appearing in the section titled "Financial Statements" on page* 234.

2. ***Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of ₹10 each***

Financial Period	P/E ratio at the lower end of the Price Band (no. of times)*	P/E ratio at the lower end of the Price Band (no. of times)*
Based on Basic EPS for the financial year ended March 31, 2018	[●]	[●]
Based on Diluted EPS for the financial year ended March 31, 2018	[●]	[●]

**will be populated in the Prospectus*

Industry P/E ratio

Financial Period	P/E (x)*
Highest	[●]
Lowest	[●]
Average	[●]

* *The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.*

3. *Return on Net Worth (RoNW)**

As per the Restated Financial Information of our Company:

Financial Period	RoNW (%)	Weightage
Financial Year ended March 31, 2018	11.7%	3
Financial Year ended March 31, 2017	10.3%	2
Financial Year ended March 31, 2016	9.0%	1
Weighted Average	**10.8%**	
Six-months period ended September 30, 2018**	7.5%	

* *Net Profit after tax, as restated / Net worth, as restated, at the end of the period/year*
** *Not annualized*
Notes:
(1) *Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth* ***x*** *Weight) for each year] / [Total of weights]*
(2) *Return on Net Worth (%) = Net Profit after Taxation (as restated) divided by Net worth at the end of the year.*
(3) *Net worth has been computed as the aggregate of share capital and reserves and surplus (including securities premium, share option outstanding account, debenture redemption reserve and surplus/ (deficit) of our Company).*

4. *Net Asset Value per Equity Share of face value of ₹10 each**

(i) As of September 30, 2018, our net asset value per share was ₹ 59.76[1] as per our Restated Financial Information. As of March 31, 2018, our net asset value per Equity Share was ₹ 55.86 as per our Restated Financial Information.

(ii) After the Offer:

(a) At the Floor Price: ₹ [●]
(b) At the Cap Price: ₹ [●]

(iii) Offer Price: ₹ [●]

**will be populated in the Prospectus.*

Notes:
(1) *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*
(2) *Net Asset Value Per Equity Share = net worth as per the restated financial information / number of equity shares outstanding as at the end of year/period*
(3) *Net worth has been computed by aggregating share capital and reserves and surplus as per the restated financial information. There is no revaluation reserve or miscellaneous expenditure (to the extent not written off).*

5. *Comparison of Accounting Ratios with Listed Industry Peers*

Name of Company	Standalone /Consolidated	Face Value (₹per share)	EPS (₹)		NAV (₹per share)	P/E (x)	P/B (x)	RoNW (%)
			Basic	Diluted				
Reliance General Insurance Company Limited	Standalone	10	6.56	6.56	55.86[1]	[●]	[●]	11.7%
Peers								

[1] *The Net Asset Value should be read with significant accounting policies and notes on Restated Financial Information as appearing in the section titled "Financial Statements" on page 234.*

Name of Company	Standalone /Consolidated	Face Value (₹per share)	EPS (₹)		NAV (₹per share)	P/E (x)	P/B (x)	RoNW (%)
			Basic	Diluted				
ICICI Lombard General Insurance Company Limited	Standalone	10	19.01	18.99	100.07[2]	46.12	8.75	19%[3]
The New India Assurance Company Limited	Consolidated	5	27.06	27.06	197.65	6.56	0.90	14.3%[4]

Note: All the financial information for ICICI Lombard General Insurance Company Limited is based on a standalone basis, since it does not have any subsidiary, joint venture or associate; all financial information for The New India Assurance Company Limited is on a consolidated basis.
Source: All financial information mentioned above for the listed industry peers is sourced from the annual reports of the respective Companies for the year ended as on March 31, 2018. All the financial information for our Company mentioned above for the year ended March 31, 2018, from the restated financial statements and notes, is on a standalone basis since we do not have any subsidiaries, joint ventures or associates.

Notes

a) *NAV is computed as the closing net worth (which includes equity capital and reserves) divided by the Diluted weighted average number of equity shares outstanding during the year*
b) *P/E Ratio has been computed based on the closing market price of equity shares as on February 1, 2019 on the BSE Limited, divided by the Diluted EPS as at March 31, 2018*
c) *P/B Ratio has been computed based on the closing market price of equity shares as on February 1, 2019 on the BSE Limited, divided by the NAV as at March 31, 2018*

RONW is computed as net profit after tax (after extra-ordinary item) divided by net worth excluding revaluation reserve at the end of the year. Net worth represents the aggregate of the paid-up share capital and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account, and share application money pending allotment.

The Offer price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 145, 234 and 323, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" on page 21 and you may lose all or part of your investments.

---

[2] *Shareholders funds/Net worth= (Share capital + Reserve & Surplus) – (Miscellaneous Expenditure + Debit balance in profit & loss account)*
[3] *Source: Annexure-1A Analytical Ratios of the Annual Report for FY18 for ICICI Lombard General Insurance Company Limited*
[4] *Source: 16 C. Disclosures Forming Part of Consolidated Financial Statements of the Annual Report for FY18 for the New India Assurance Co. Ltd.*

STATEMENT OF TAX BENEFITS

Date: February 8, 2019

The Board of Directors
Reliance General Insurance Company Limited
H Block, 1st Floor, Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710,
Maharashtra, India

Dear Sirs,

Subject: Statement of possible Direct Tax Benefits available to Reliance General Insurance Company Limited (the "Company") and its shareholders prepared according to the requirements of Securities and Exchange Board of India (the "SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018 for proposed Initial Public Offering by way of offer for sale by certain selling shareholders of equity shares of face value of 10 each ("Equity Shares" and such offer, the "Offer") of the Company.

1) With respect to proposed Offer, we hereby report that the enclosed Statement of possible tax benefits available to the company and its shareholders under the applicable tax laws in India (the "Statement") is in connection with (i) the possible special tax benefits available to the Company under the Income-tax Act, 1961(read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2018 and Goods and Service Tax Act, 2017 (GST Act) read with Rules, circulars and notifications under the GST Act , presently in force in India, and, (ii) to the shareholders of the Company under the Income tax Act, 1961, and presently in force in India.

2) Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfill.

3) The benefits discussed in the enclosed Statement are not exhaustive. Further, the preparation of the Statement and its contents is the responsibility of management of the Company. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor are we advising the investor to invest money based on this Statement.

4) We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

5) Pursuant to the Regulations and the Companies Act 2013 (Act), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available as of September 30, 2018 to the Company, and the shareholders of the Company, in accordance with the Income Tax Regulations and GST Regime as at the date of our report.

6) We do not express any opinion or provide any assurance as to whether:

   a. the Company or its shareholders will continue to obtain these benefits in the future; or

   b. the conditions prescribed for availing of the benefits have been/would be met with.

7) The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

8) Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of the tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

9) We hereby consent for the extracts of this certificate being used in the red herring prospectus, to be issued by the Company in relation to the Offer ("**Offer Documents**"). We hereby consent for aforementioned details being included in the Red Herring Prospectus. We also consent for the submission of this certificate as may be necessary, to any regulatory authority and /or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law.

10) This Certificate is addressed to and provided to the Board of Directors of the Company in connection with the filing of the Draft Red Herring Prospectus (DRHP) pursuant to the proposed Initial Public Offering of the equity shares of the Company with the Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India(IRDAI), the concerned stock exchangesfor the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law.

11) Our Report should not be used, referred to or distributed for any other purpose, except with our prior consent in writing.

Pathak H.D. & Associates,
Chartered Accountants
ICAI Firm Registration No: 107783W

Mukesh Mehta
Partner
Membership No. 043495

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The information outlined below sets out the possible tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the direct tax laws in force in India (*i.e.* applicable for the Financial Year 2018-19 relevant to the assessment year 2019-20). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the possible tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE INCOME TAX ACT, 1961 ("THE ACT")

BENEFITS TO THE COMPANY UNDER THE ACT:

Special tax benefits available to Company Taxability of General insurance companies

Taxability of General insurance company is governed by the provisions of Section 44 read with Rule 5 of the Part B of First Schedule of the Act. As per Section 44 of the Act, the normal computational provisions i.e. "Interest on securities", "Income from House property", "Capital gains" or "Income from other sources", or Sections 28 to 43B of "Profits or Gains from Business and Profession" are not applicable to the Company, rather the income from business/profession is to be computed in accordance with the Rule 5 of the Part B of First Schedule of the Act.

General tax benefit available to the Company

a. In terms of Section 10 of the Act, the Company is entitled to claim exemption u/s 10(15), 10(34) & 10(38) of the Act:

i. Interest Incomes [Section 10(15)]

As per the provisions of Section 10(15)(i) following income is exempt from tax:

Income by way of interest, premium on redemption or other payment on such securities, bonds, annuity certificates, savings certificates, other certificates issued by the Central Government and deposits as the Central Government may, by notification in the Official Gazette, specify in this behalf, subject to such conditions and limits as may be specified in the said notification.

ii. Income by way of dividend from Indian company [Section 10(34)]/ income received in respect of units of a mutual fund specified under clause (23D)/units from the administrator of specified undertaking/units from the specified company [Section 10(35)]

As per the provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. However, as per Section 94(7) of the Act, losses arising from purchase and sale of securities, where such securities are bought or acquired within a period of three months prior to the record date and such securities are sold or transferred within three months from the record date, will be disallowed to the extent of the amount of dividend claimed as exempt.

Any amount declared, distributed or paid by the Company to shareholders by way of dividends on or after April 1, 2003, whether out of current or accumulated profits, shall be charged to additional income tax
("Dividend Distribution Tax" or "DDT") at the rate of 15 percent (plus applicable surcharge and cess) under
Section 115-O of the Act.In view of the amendment brought in by Finance (No.2) Act, 2014, for the purpose of determining the tax on distributed profits payable in accordance with Section 115-O of the Act, the amount of dividends needs to be increased to such amount as would, after reduction of tax on such increased amount at the specified rate, be equal to the net distributed profits.

Any income received from distribution made by any mutual fund specified under Section 10(23D) of the Act or from the administrator of the specified undertaking or from the units of specified company referred to in Section 10(35) of the Act, is exempt from tax in the hands of the Company under Section 10(35) of the Act. However, as per Section 94(7) of the Act, losses arising from the sale/ redemption of units purchased within three months prior to the record date (for entitlement to receive income) and sold within nine months from the record date, will be disallowed to the extent of the amount of income claimed exempt.

Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which does not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not a tax deductible expenditure. However, as per various judicial precedents, Section 14A is not applicable to general insurance companies under normal computation of income.

b. **Carry forward and set off of losses**

- As per the provisions of Section 72(1) of the Act, if the net result of the computation of income from business is a loss to the Company, not being a loss sustained in a speculation business, such loss can be set off against any other income and the balance loss, if any, can be carried forward for eight consecutive assessment years immediately succeeding the assessment year for which the loss was first computed and shall be set off against business income.

- As per the provisions of Section 72A of the Act, pursuant to business re-organisations such as demerger, etc., the successor company shall be allowed to carry forward any accumulated tax losses/ unabsorbed depreciation of the predecessor company, subject to fulfillment of prescribed conditions.

c. **Income Computation and Disclosure Standards**

The Income Computation and Disclosure Standards are not applicable to General Insurance Companies.

B. BENEFITS TO THE SHAREHOLDERS OF THE COMPANY UNDER THE ACT

1. General tax benefit available to the Shareholders

a) Dividends

- As per the provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the members/ shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax on the amount distributed as dividend.

- However, the Finance Act, 2016 has introduced Section 115BBDA of the Act which provides that the aggregate of dividends received by specified assessee other than a domestic company or a fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10; or a trust or institution registered under section 12A or section 12AAresident in India from domestic companies in excess of INR 10 lakh will be taxed at 10 percent on a gross basis and no deduction will be available for any expenditure.

  Also, Section 94(7) of the Act provides that losses arising from the sale / transfer of shares purchased within a period of three months prior to the record date and sold / transferred within three months after such date, will be disallowed to the extent dividend income on such shares is claimed as tax exempt.

b) Capital gains - general

(i) Computation of capital gains

- Capital assets are to be categorised into short-term capital assets and long-term capital assets based on the period of holding. Equity Shares listed on a recognised stock exchange in India held by an assessee for more than 12 months, immediately preceding the date of transfer, are considered to be long-term capital assets. Capital gains arising from the transfer of such long-term capital assets are termed as Long Term Capital Gains (LTCG).

- Short Term Capital Gains (STCG) means capital gains arising from the transfer of equity shares listed on a recognised stock exchange in India held for 12 months or less, immediately preceding the date of transfer.

- As per Section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

  a) Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index notified by the Central Government; and

  b) Expenditure incurred wholly and exclusively in connection with the transfer of shares.

- Section 94(7) of the Act restricts allowance of losses arising from sale/transfer of securities/unit of mutual fund where these are purchased within three months prior to the record date (relevant for the purpose of receipt of dividend) and such securities are sold within three months or such units are sold within 9 months after such record date. In such cases, the loss (if any) arising from such sale should be ignored to the extent of the amount of dividend or income received/receivable on such securities/units

- Exemptions may be claimed from taxation of LTCG or STCG if investments in certain specified securities/assets is made subject to fulfillment of certain conditions. The following exemptions may be available to the shareholders:

  a) Section 54EE of the Act exempts long-term capital gains on transfer of shares if the gains upto Rs. 50 lacs are invested in "long term specified assets" (i.e. units of notified fund) within six months from the date of transfer. The investment in long term specified assets should be held for 3 years.

  b) Section 54F of the Act exempts long-term capital gains on transfer of shares, held by an individual or HUF, if the net consideration is utilized to purchase/ construct a residential house within specified timelines.

- As per section 74 of the Act, short-term capital losses incurred during the year are allowed to be set-off against short-term or long-term capital gains of the said year. Balance losses, if any may be carried forward for eight years for claiming set-off against subsequent years' short-term or long-term capital gains. Long-term capital losses incurred during the year are allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

- STT is a tax payable on the value of specified securities (such as shares, certain derivatives or equity oriented mutual fund) transacted on a recognized stock exchange. STT is not allowed as a deduction while computing income from capital gains

- The LTCG arising upto 31 March 2018 on transfer of listed shares is exempt provided such transfer is chargeable to STT, as also the acquisition of such shares, if such acquisition is after 1 October 2004.

- As per Finance Act, 2018, LTCG exceeding one lakh rupees to the extent arising on transfer of these securities is taxable at 10 percent, provided such transfer is chargeable to STT. Further, to avail such concessional rate of tax, STT should also have been paid on acquisition, unless the securities have been acquired through a mode, notified in Notification No. SO 5054(E) [F.No.370142/9/2017-TPL] dated 01 October 2018 as not requiring to fulfil the pre-condition of chargeability to STT.

The LTCG arising from the transfer of such securities shall be calculated without indexation (inflation adjustment).

To provide grandfathering/ relief on long term gains arising on sale of listed shares that were acquired originally as unlisted shares upto 31 January 2018, an indexation mechanism has been provided.

Under this mechanism, where sale consideration is higher than the "indexed cost of acquisition ("COA"), the COA would be substituted with the indexed COA and capital gains will be computed accordingly.

Where sale consideration is higher than the COA but not higher than the indexed COA, the sale consideration is deemed as the COA, such that the gains would be neutralized.

This benefit is available in the following cases:

a) equity shares, not listed as on 31 January 2018 but listed on the date of transfer; and

b) equity shares listed on the date of transfer but acquired in consideration of shares not listed on 31 January 2018 through tax neutral modes of transfer (e.g. amalgamation, demerger)

- In the context of the exempt LTCG regime upto 31 March 2018, the Central Board of Direct Taxes ("CBDT") had notified cases of acquisition of shares (e.g. acquisition under employee stock option or purchase schemes framed under the SEBI (ESOPs and ESPS) Guidelines, 1999; acquisition approved by the Courts, NCLT, SEBI or RBI; acquisition by any non-resident as per FDI guidelines) for which the pre-condition of chargeability to STT would not be applicable and yet the LTCG on transfer of the listed shares would stand exempted.

- The STCG arising on transfer of listed shares are taxable at 15 percent provided STT is chargeable on such transfer.

c) Capital gains – Resident Shareholders

- In case of transfer of listed shares which are not chargeable to STT, LTCG is taxable at the rate of 20 percent with indexation (inflation adjustment) or 10 percent without indexation whichever is more beneficial. The STCG arising in case of transfer of shares which are not chargeable to STT is taxable at the general corporate tax rate - currently 30 percent for domestic companies and as per slab rate in case of resident shareholders other than domestic companies.

- No withholding tax/ tax deduction at source is applicable on income arising by way of capital gains to a resident shareholder on transfer of shares of an Indian company.

- As per section 80C of the Act, individuals or HUF are allowed a deduction (up to a specified limit) against taxable income in respect of investments made in certain specified instruments.

- As per provisions of section 80G of the Act, specified amount of deduction is allowed in case of contribution made to certain specified funds or institutions.

d) Foreign Portfolio Investors (FPI) (earlier known as 'Foreign Institutional Investor')

- As per section 2(14) of the Act, securities held by a FPI registered in accordance with the SEBI Regulations for FPIs would be in the nature of "capital asset". Consequently, the income arising to a FPI from transactions in securities are treated as capital gains

- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities would be taxable as follows:

Nature	Tax rate (%)
LTCG on sale of equity shares subject to STT	10*
LTCG on sale of equity shares not subject to STT	10
STCG on sale of equity shares subject to STT	15
STCG on sale of equity shares not subject to STT	30

- *As per Finance Act, 2018, LTCG exceeding one lakh rupees to the extent arising on transfer of these securities is taxable at 10 percent, provided such transfer is chargeable to STT. Further, to avail such concessional rate of tax, STT should also have been paid on acquisition, unless the securities have been acquired through a mode, notified as not requiring to fulfil the pre-condition of chargeability to STT.

- As per section 196D of the Act, any income, by way of capital gains arising to the FPI from transfer of securities is not subject to withholding tax/ tax deduction at source in section 115AD of the Act. Tax, if any, would be required to be discharged by the concerned FPI prior to making the remittance of the proceeds out of India.

- It has been clarified to the effect that provisions of MAT do not apply to FPIs that do not have a permanent establishment or place of business in India.

e) <u>Special provisions for NRIs</u>

- A special scheme of taxation applies in case of Non-Resident Indian ('NRI') in respect of income/LTCG from investment in "specified foreign exchange assets" as defined under Chapter XIIA of the Act. Key provisions of the scheme are as under:

- NRI is defined to mean an individual being a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

- Key tax implications are:

Section	Provision
115E	LTCG [not covered under section 10(38)] in respect of a specified asset (which inter alia includes shares of an Indian company) is taxable at 10 percent
115F	LTCG [not covered under section 10(38)] arising on transfer of a foreign exchange asset is tax exempt if the net consideration from such transfer is reinvested in specified assets or in savings certificates referred to in section 10(4B) of the Act subject to the conditions prescribed therein

- In terms of section 115G of the Act, NRIs are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from investments or long-term capital gains or both, provided adequate tax has been deducted at source from such income.

- Section 115H of the Act specifies that when NRIs become assessable as resident in India, they may furnish a declaration in writing to the Assessing Officer along with their return of income for that year to the effect that the scheme of Chapter XII-A shall continue to apply to them in relation to such investment income derived from the specified assets (which do not include shares in an Indian company) for that year and subsequent assessment years until such assets are transferred or converted into money.

- Section 115-I of the Act allows NRIs to elect not to be governed by the scheme for any assessment year by furnishing their return of income for that year under section 139 of the Act and declaring the choice made in such return and accordingly they would be taxed in that assessment year in accordance with the regular tax provisions.

f) Special provisions for NR:

- In case of a non-resident shareholder, the first proviso to section 48 of the Act allows the capital gains arising from the transfer of listed equity shares of an Indian Company to be computed by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer and the full value of consideration into the same foreign currency as was initially utilized in the purchase of the shares and the capital gains so computed should be reconverted into Indian currency. However, the benefit of indexation (as provided in second proviso to Section 48) is not available to non-resident shareholders.

- As per provisions of section 80G of the Act, specified amount of deduction is allowed in case of contribution made to certain specified funds or institutions.

  It has been clarified that MAT provisions do not apply to a foreign company which does not have a permanent establishment/ place of business in India.

g) Additional tax benefits/consequences for non-resident shareholders

- Treaty Benefit

  Section 90(2) of the Act allows non-resident shareholders to opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement ('DTAA') or tax treaty entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial subject to fulfillment of conditions.

  Further, any income by way of capital gains payable to non-residents [other than capital gains payable to an FPI] may be subject to withholding tax in accordance with the provisions of the Act or under the relevant DTAA, whichever is beneficial to such non-resident unless such non-resident has obtained a lower withholding tax certificate from the tax authorities.

- Indirect Transfer Provisions

  Section 9 of the Act seeks to charge tax in various cases where income may be deemed to accrue or arise in India. Included in the list is the case of indirect transfer of capital assets in India through transfer of any share or interest in any company or entity outside India.

  In response to concerns raised by stakeholders that the provisions resulted in multiple-taxation, it has been clarified that the indirect transfer provisions shall not apply to investment held by any non-resident, directly or indirectly, in a Foreign Institutional Investor and registered as Category-I or Category-II FPI under the SEBI Act, 1992.

- PAN/tax documents

  The withholding tax rates are subject to the recipients of income obtaining and furnishing a permanent account number (PAN) to the payer, in the absence of which the applicable withholding tax rate would be the higher of the applicable rates or 20%, under section 206AA of the Act. The requirement to furnish PAN will not apply if the non-resident shareholder furnishes prescribed documents to the payer.

  As per the Finance Act, 2018, resident non-individuals entering into financial transactions of an amount aggregating to two lakh and fifty thousand rupees or more in a financial year shall be required to apply for allotment of PAN. Further, the managing director, director, partner, trustee, author, founder, karta, chief executive officer, principal officer or office bearer or any person competent to act on behalf of such entities shall also be required to apply for allotment of PAN.

C. BENEFITS AVAILABLE TO INVESTMENT FUNDS

- Investment funds being Category I and Category II Alternative Investment Funds (AIF) registered under the SEBI AIF Regulations have been accorded a pass through status under the Act. Accordingly, income of such investment funds other than income chargeable under the head "Profits and gains of business or profession" should be exempt from income tax as per section 10(23FBA).

- However, income (other than income chargeable under the head "Profits and gains of business or profession) of the unit holder out of the investment made in such investment fund is chargeable to income-tax in the same manner as if it were income accruing or arising to, or received by, such unit holder had the investments, made by the Investment Fund, been made directly by him.

- The taxable income of an Investment Fund would be charged at the rate or rates as specified in the Finance Act of the relevant year where the Investment Fund is a company or a firm or at maximum marginal rate in any other case.

- Further, the income accruing or arising to or received by the Investment Fund if not paid or credited to a person (who has made investments in an Investment Fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.

- There is no specific exemption provided under the Act for the income earned by the Category III AIF. The taxability depends on the status of the Fund. In case the Fund is set-up as a 'Trust', the principles of trust taxation should apply based on the nature of the trust.

D. BENEFITS AVAILABLE TO MUTUAL FUNDS

- In terms of section 10(23D) of the Act, all Mutual funds set up by public sector banks or public sector financial institutions or Mutual Funds registered under SEBI Act or Mutual Funds authorized by the Reserve Bank of India, subject to the conditions specified, are eligible for exemption from income taxes on all their income, including all incomes and gains arising from investment in/transfer of the shares of the Company.

  However, the Mutual Funds would be required to pay tax on distributed income to unit holders as per the provisions of section 115R of the Act.

  As per section 196 of the Act, no tax is to be deducted from any income payable to a Mutual Fund specified under section 10(23D) of the Act.

General Anti-Avoidance Rule ('GAAR'):

In terms of Chapter XA of the Act, General Anti-Avoidance Rule may be invoked notwithstanding anything contained in the Act. By this Rule, any arrangement entered into by an assessee where the main purpose of the arrangement is to obtain a tax benefit may be declared to be impermissible avoidance arrangement as defined in that Chapter and the consequence would be *interalia* denial of tax benefit, applicable w.e.f. F.Y. 2017-18 i.e. A.Y. 2018-19. The GAAR provisions can be said to be not applicable in certain circumstances viz. where the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated 23 September 2013.

The CBDT vide Notification No. 49/2016, dated 22 June 2016, has amended the GAAR provisions. GAAR provisions are not applicable to any income accruing or arising to, or deemed to accrue or arise to, or received or deemed to be received by, any person from transfer of investment made before 1 April 2017. Further, GAAR provisions are applicable to any arrangement, irrespective of the date on which it has been entered into, in respect of the tax benefit obtained from an arrangement on or after 1 April 2017.

In order to effectively implement GAAR, the CBDT vide circular dated 27 January, 2017 expressed clarity on the applicability of GAAR based on working committee group on non applicability of GAAR providing monetary threshold limit of Rs 30 million has been prescribed which is per transaction/agreement wise beyond which the transaction may be considered as impermissible and attract GAAR provisions, relaxation of GAAR in situations where a transaction is permitted or ruled by the Authority for Advance Ruling for a particular transaction of the applicant, satisfaction of commercial substance would not invoke GAAR provisions and GAAR provisions cannot be invoked automatically but can be initiated only for cases through an Approving Panel headed by a Judge of High Court Etc.

UNDER THE GOODS AND SERVICE TAX ACT, 2017 (GST)

No special tax benefit is available to the company under the GST Regime.

UNDER THE WEALTH TAX ACT, 1957

The Finance Act, 2015 has abolished the levy of wealth tax under the Wealth Tax Act, 1957 with effect from 1 April 2016.

UNDER THE GIFT TAX ACT, 1958

Gift made after 1 October 1998 is not liable for any gift tax, and hence, gift of shares of the company would not be liable for any gift tax. In order to prevent the practice of receiving the sum of money or the property without consideration or for inadequate consideration, a new clause (x) in sub- section (2) of section 56 is inserted from the Finance Act, 2017 to provide the receipt of the sum of money or the property by any person without consideration or for inadequate consideration in excess of Rs 50,000 shall be chargeable to tax in hands of the recipient under the head “Income from other Sources”. Therefore, in the hands of the done the same could be treated as income subject to certain conditions unless the gift is from a relative as defined under Explanation to Section 56(2)(x) of the Act.

Notes:

(i) All the above benefits are as per the current direct tax laws relevant for the Assessment Year 2019-20 (considering the amendments made by Finance Act, 2018).

(ii) The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.

(iii) The possible tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

(iv) In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences of his/her participation in the IPO.

(v) The above Statement of Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares

(vi) The stated benefits will be available only to the sole/ first named holder in case the shares are held by joint holders.

For and on behalf of Reliance General Insurance Company Limited

(Authorised Signatory)

Place: Mumbai
Date: February 8, 2019

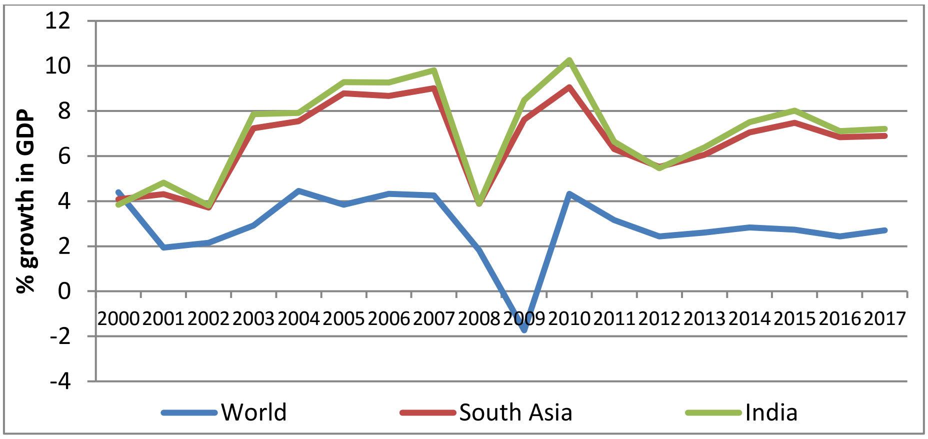
INDUSTRY OVERVIEW

The information contained in this section is derived from the ICRA report titled "Indian General Insurance Industry: Overview" published in January 2019 and commissioned by us for the purpose of this Offer and other publicly available sources. Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer becurrent or reflect current trends.

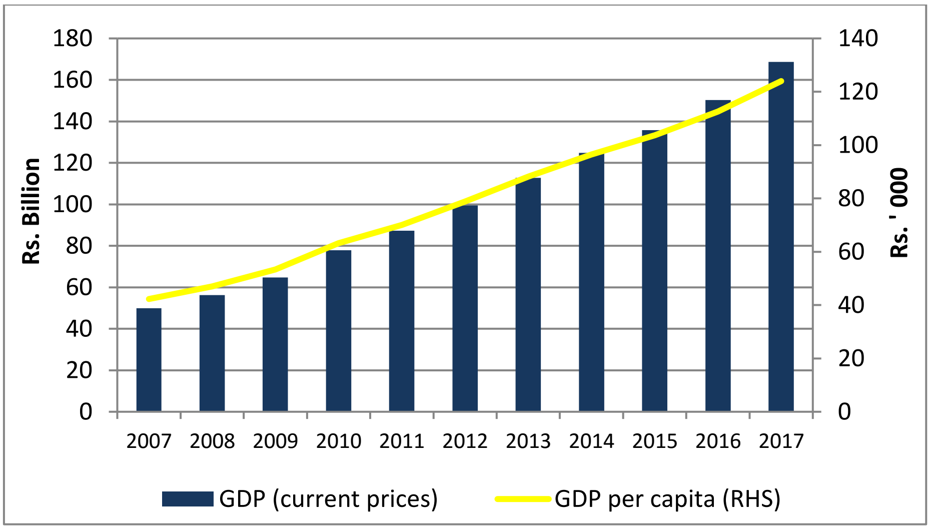
The Indian Economy

The Indian economy is one of the largest economies in the world, with a gross domestic product ("**GDP**") on purchasing power parity basis of an estimated US$ 9.47 trillion (2017 est.). Per capita GDP in India has grown from an estimated US$5,500 in the calendar year 2013 to an estimated US$7,200 in the calendar year 2017. *(Source: World Factbook, available on https://www.cia.gov/library/publications/resources/the-world-factbook/geos/in.html)*. India has the second largest population base in the world and a higher GDP growth as compared to the population has led to an improvement in the per capita GDP. The improvement in the overall economy and the income levels backed by improved performance of the corporate sector are likely to contribute to the growth of the general insurance sector.

The following chart sets forth a comparison of GDP growth rates:



The following chart sets forth the trend in GDP and GDP per capita:



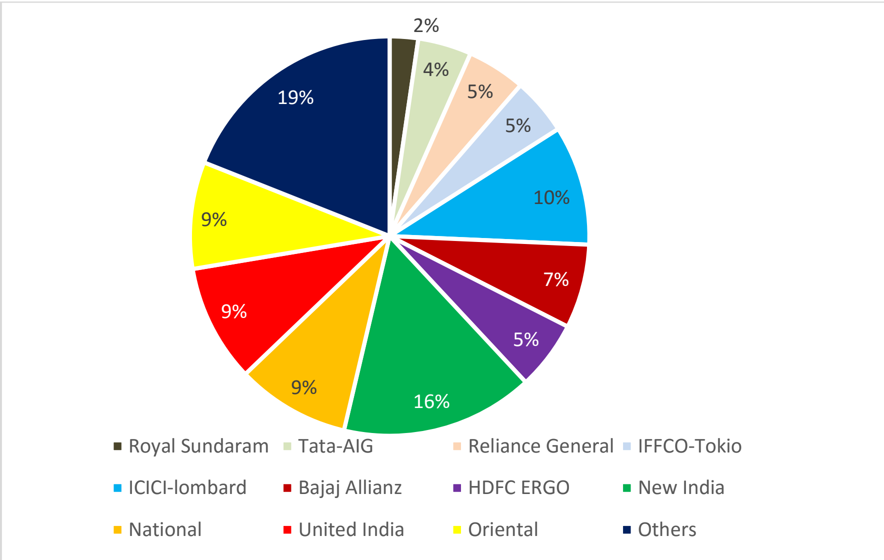
The General Insurance Industry

The Indian insurance industry recorded a significant growth and saw the introduction of various products primarily after the liberalization period, prior to which it comprised of only the state insurance players, Life Insurance Corporation of India and General Insurance Corporation of India ("**GIC Re**"). By the end of Q1 financial year 2019, the industry consisted of a total of 57 insurance players, wherein 24 are life insurance companies and 33 are general (non-life including specialized insurers) insurance companies. During financial year 2018, while the life insurance new business premiums grew by 10%, the non-life insurance premiums grew by a robust 17% supported by health, agriculture and motor businesses. The industry outlook continues to be positive, given the initiatives by the government to develop the agriculture, liability and credit insurance lines of businesses, along with the rising disposable incomes which would increase demand for the personal categories of insurance products.

Industry Structure

While the life insurance industry is dominated by the sole public sector player, Life Insurance Corporation of India, private sector players such as SBI Life Insurance, ICICI Prudential Life Insurance, and HDFC Standard Life Insurance have together been able to garner a significant share of the life insurance market over the past two decades. While the number of private insurers more than doubled over the past two decades, their corresponding market share more than tripled with the private insurers accounting for about 55% of the Gross Direct Premium Income ("**GDPI**") during the financial year 2018. The general insurance industry is led by the four public sector insurers, New India Assurance Company Limited, United India Insurance Company, National Insurance Company Limited and Oriental Insurance Company Limited. Insurance companies such as ICICI Lombard General Insurance, Bajaj Allianz General Insurance, HDFC ERGO General Insurance, IFFCO Tokio General Insurance, and Reliance General Insurance together comprise about two-thirds of the private sector general insurance market. Further, the industry has two specialized public sector insurers, Agriculture Insurance Company Limited, for crop insurance and Export Credit Guarantee Corporation of India for credit insurance and five private sector insurers which underwrite policies exclusively in health, personal accident and travel insurance segments.

The following chart sets forth the contribution by GDPI for the half year ended September 30, 2018:

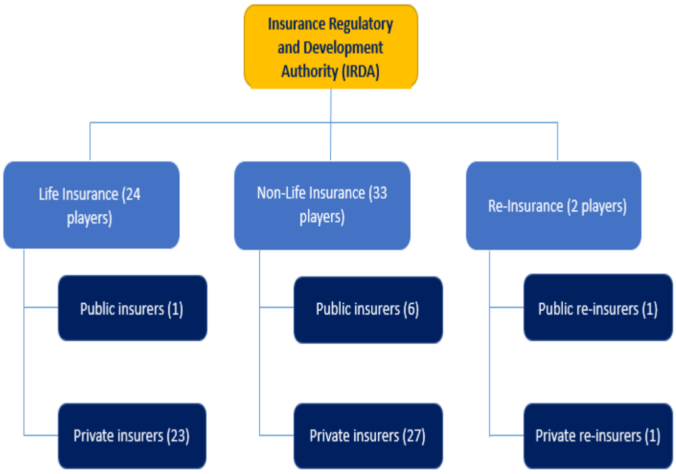


The industry primarily has one re-insurance player, GIC Re, with the rest of the major re-insurance partners being global players. The other re-insurance player is a private sector re-insurer, ITI Reinsurance Limited, which obtained the license to operate only in the financial year 2017. The other stakeholders in the insurance market include individuals and corporate agents, insurance brokers, surveyors, web-aggregators and third party administrators ("**TPA**") which primarily service health insurance claims.

The sector got its independent regulator in the form of The Insurance Regulatory and Development Authority of India ("**IRDAI**"), which was set up as an autonomous body under the Insurance Regulatory and Development

Authority Act, 1999. The IRDAI is responsible for regulating and protecting the interests of the policyholders and at the same time promoting and ensuring orderly growth of the insurance and re-insurance business in India.

The following chart sets forth the governance structure of the insurance industry:



Product profile

The size of India's general insurance sector is ₹1.50 lakh crore on a Gross Direct Premium Written (GDPW) basis during financial year 2018. The general insurance sector is mainly comprised of Motor, Health, Crop, Fire and Marine insurance products among other products like Engineering, Aviation, Liability etc. with Motor insurance comprising about 39% and Health and Personal Accident insurance comprising about 28% of the GDPI during financial year 2018. The crop insurance product has seen a rapid growth in financial year 2017 and financial year 2018 owing to the new insurance scheme, Pradhan Mantri FasalBima Yojana (PMFBY), launched by the government during financial year 2016, which was implemented by multiple insurance players from the Kharif season starting July, 2016.

Motor Insurance

Motor Insurance is the largest product category accounting for 43% of the overall GDPW during financial year 2018. While the GDPW for motor insurance displayed a robust growth of 18% during financial year 2018, its share in the overall premium profile reduced owing to the significant growth of the crop insurance product as explained above.

The motor insurance product is designed to protect a vehicle owner against damages to their own vehicle (Own Damage category) and to pay for any third-party liability arising out of damage to someone else's vehicle (Third Party category) in multiple scenarios like accidents, theft and natural calamities. The Motor Vehicles Act, 1988 statutorily mandates every vehicle owner to have a Third Party insurance and holds the vehicle owners legally liable for any damage or injury/death to life or property arising out of the use of their vehicle in a public space.

Owing to the statutory requirements, motor insurance products in India are broadly offered in two types:

- Liability only policy (Statutorily mandated third party insurance) – The policy only covers financial losses arising out of injury/death of a third party or damage to third party owned property. Third party also includes co-passengers travelling with the insured.
- Comprehensive package policy (Liability only + Own damage to owner's vehicle) – Since the Liability only product doesn't cover the damage to the insured or their vehicle, the comprehensive package policy is designed to cover own damage to the insured or their property arising out of unforeseen circumstances.

While the coverage under third party liability product is as per requirements of the Motor Vehicles Act, 1988 (offers unlimited coverage for third party injury), in case of own damage, the coverage depends on a concept known as Insured's Declared Value (IDV), which is calculated either on the ex-showroom value or the depreciated value of the insured's vehicle depending on the age and policies of the insurance company. Motor insurance is offered to private cars, two-wheelers as well as commercial vehicles in India.

Health and Personal Accident Insurance

Health and personal accident insurance accounts for 29% (health alone accounting for 26% of the overall GDPI during the financial year 2018). The health insurance business is classified into three main categories:

- Retail: The retail category includes insurance products designed for individuals and families.
- Group Health: The group health category includes products designed for large corporate and small and medium enterprises which provides group coverage for their employees.
- Government Health schemes: The Government health schemes include products introduced by the Government and targeted towards masses.

Personal accident insurance is typically bundled with the health insurance policies and provides coverage to the insured based on a pre-determined benefits structure in case of an accident.

Health insurance is broadly offered in three variations in India:

- Hospitalization Plans: Hospitalization plans, also referred to as indemnity plans, cover the hospitalization and medical expenses of the policyholder depending on the quantum of insurance cover. These plans are designed both, for an individual and a family as a whole.
- Cash Benefit Plans: Cash benefit plans define the policy benefits in terms of the sum of money that would be paid out, irrespective of the actual costs incurred by the policyholder. As a result, these plans are also called defined benefit plans.
- Critical Illness Plans: With the gradual shift of illness profile towards lifestyle related diseases, insurance plans targeted towards specific critical illnesses were designed keeping in mind the high costs and specific medical procedures associated with such diseases. The plans specify the illness that would be covered at the inception of the policy cover and pay a lump sum amount on diagnosis of the specified illness.

The health insurance GDPI has displayed a CAGR of 19% from financial year 2012 to financial year 2018. Contrary to the trend visible across most of the other major segments, the public sector insurers have gained market share in this segment from the private players (including the standalone health insurers) over the years, with the share of market catered to increasing from 39% during financial year 2012 to 43% during financial year 2018. Furthermore, the GDPI for the standalone health insurance together displayed a substantial CAGR of 30% from financial year 2012 to financial year 2018 with their market share increasing from 12% to over 20% during that period.

Crop Insurance

The crop insurance segment has grown substantially in the last two years due to the launch of a new scheme by the Government, the PMFBY in January, 2016. The scheme saw implementation from multiple insurance players starting from the Kharif season commencing in July, 2016.

Some of the key features of this scheme are as follows:

- For the implementation of the scheme, each state is divided into clusters of districts and the state government invites insurance companies to bid for a set of notified crops likely to be cultivated in these clusters. After the bidding process, insurance companies quoting the lowest weighted premium for all notified crops within the cluster of districts are allotted these clusters, wherein they may provide insurance cover to both loanee (farmers with an existing farm loan from a bank or financial institution for which the scheme is compulsory) and non-loanee (farmers without an existing farm loan) farmers.
- The farmers are expected to pay a small portion of the premium (2% for all Kharif, 1.5% for all Rabi and 5% for all annual commercial and horticulture crops), while the remaining portion is equally split between the state and the central government.
- The premiums are determined based on the historical crop yields data for the various clusters and claims are payable by the insurance companies only after receiving the premium in full from the farmers and governments.
- The scheme covers:
    - Losses in crop yield due to natural calamities such as fire, flood, draught, disease.
    - Indemnity claims in cases of expenses incurred due to inability to sow or plant the insured crop due to adverse weather conditions up to a maximum of 25% of the sum insured.

- o Post-harvest losses up to a period of 14 days from harvest of crops, which are damaged due to natural calamities such as cyclones and unseasonal rains.
- o Losses arising from localized calamities affecting isolated farms in the particular area.

The scheme has been implemented through the specialized public sector insurance company, Agriculture Insurance Company of India Limited ("**AIC**") and a set of other empaneled general insurance companies such as Reliance General Insurance, ICICI Lombard, HDFC ERGO, and Bajaj Allianz. Since its implementation in the financial year 2016, the GDPW for the crop insurance scheme increased by eleven times.

Fire and Engineering Insurance

While the Fire insurance product covers factories, buildings, offices, warehouses and other structures against losses arising out of fire, the Engineering insurance product is designed to protect against losses arising due to various plant, machinery and engineering equipment breakdown including mechanical, electrical and electronic equipment. The fire and engineering insurance products together account for a share of just over 10% of the overall GDPI during financial year 2018. The products together witnessed a CAGR of 8% from financial year 2012to financial year 2018, there was a slowdown during financial year 2018 given the slowdown in industrial activity resulting in tepid demand for the products.

Other Insurance Products

Other insurance products by the various insurance players include Marine (Cargo and Hull), Aviation, Liability, Travel Insurance etc. which together account for 10% of the overall GDPI during financial year 2018.

Tariff and non-tariff products

During the liberalization of the Indian economy, the Indian non-life insurance industry was characterized by tariff and non-tariff product categories. In case of the tariff products, the insurance premiums for such schemes were regulated in consultation with the Tariff Advisory Committee ("**TAC**") whereas in case of the non-tariff products the premiums were actuarially determined. In 1994, amidst government efforts to initiate reforms in the insurance industry, the first round of de-tariffing was initiated. After constituting the IRDAI Act in 1999, the next round of product de-tariffing came in the years 2005 and 2007.

The following table sets forth the de-tariffing timeline for non-life insurance products:

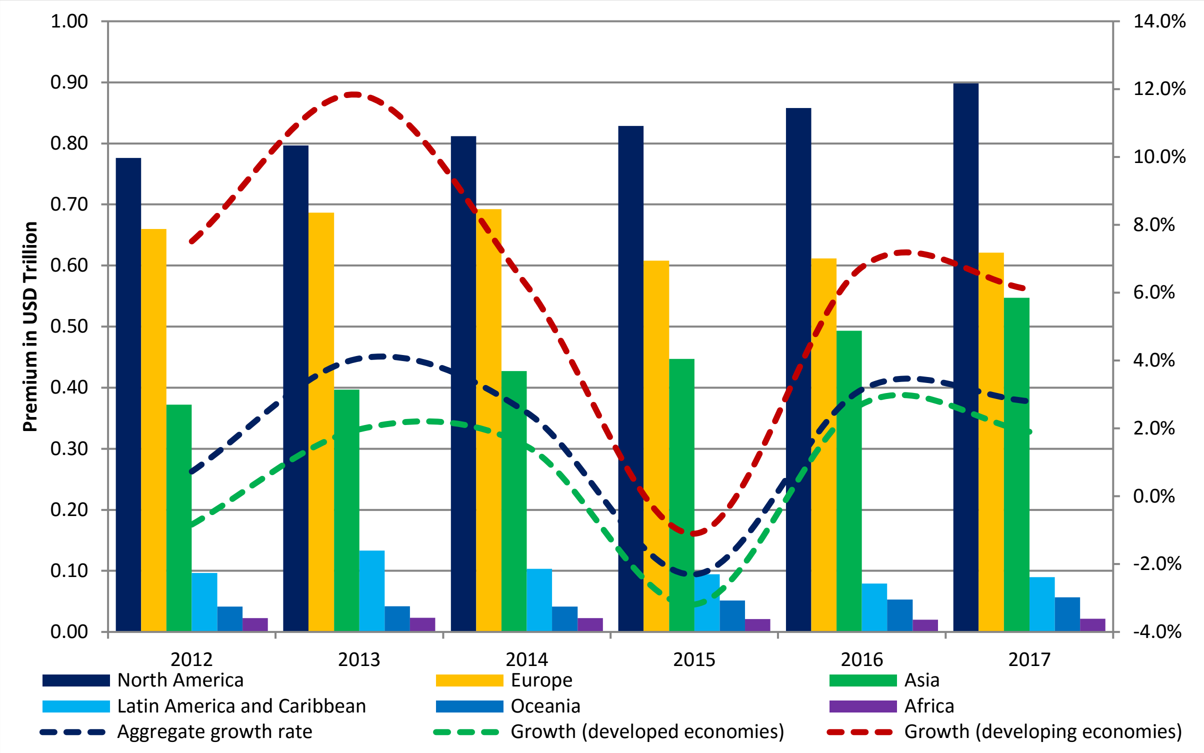
1994	2005	2007
Aviation		Engineering
Health		Fire
Liability	Marine Hull	Motor (Own Damage)
Marine Cargo		Public Liability
Personal Accident		Workers Compensation

Thereafter, only the motor (third party liability) insurance continues to be a tariff product. Until December 2007, insurance players were allowed to offer limited discounts on the insurance premiums of products like fire, engineering and motor (own damage), without the approval of IRDAI. However, the industry shifted to a free pricing regime starting from January 2008, wherein premiums for various insurance products were actuarially determined. Consequently, the premiums for major product categories like marine, fire and motor (own damage) reduced considerably. Fire, which used to be the most profitable product, saw the most dramatic decline in premiums, which resulted in negative premium growth for the category and slower growth for the industry during the next few years.

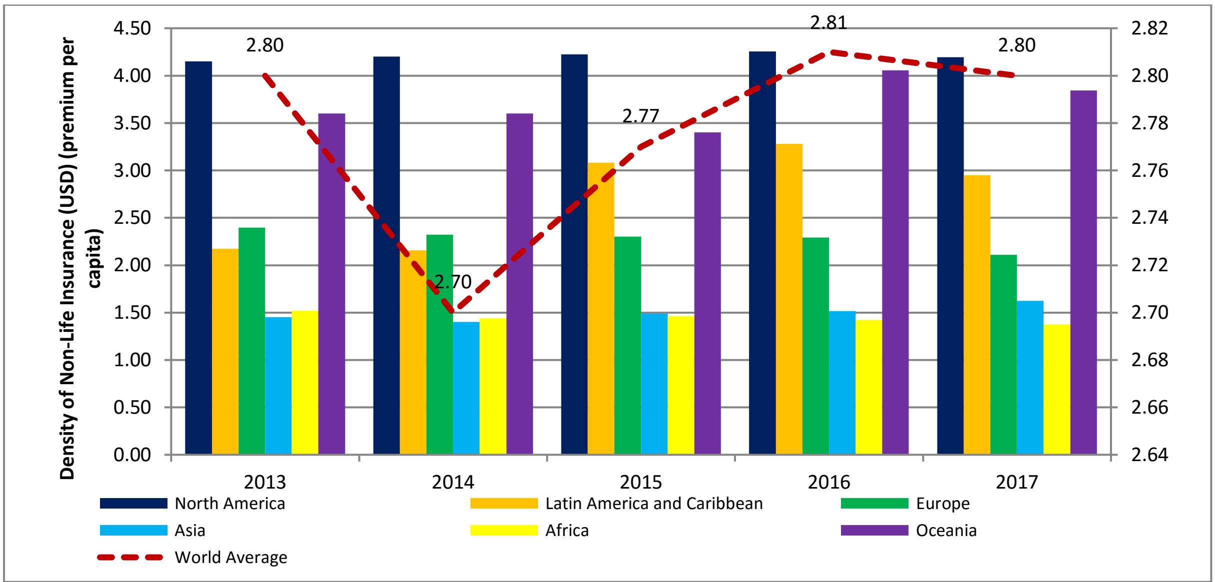
Global General Insurance Sector

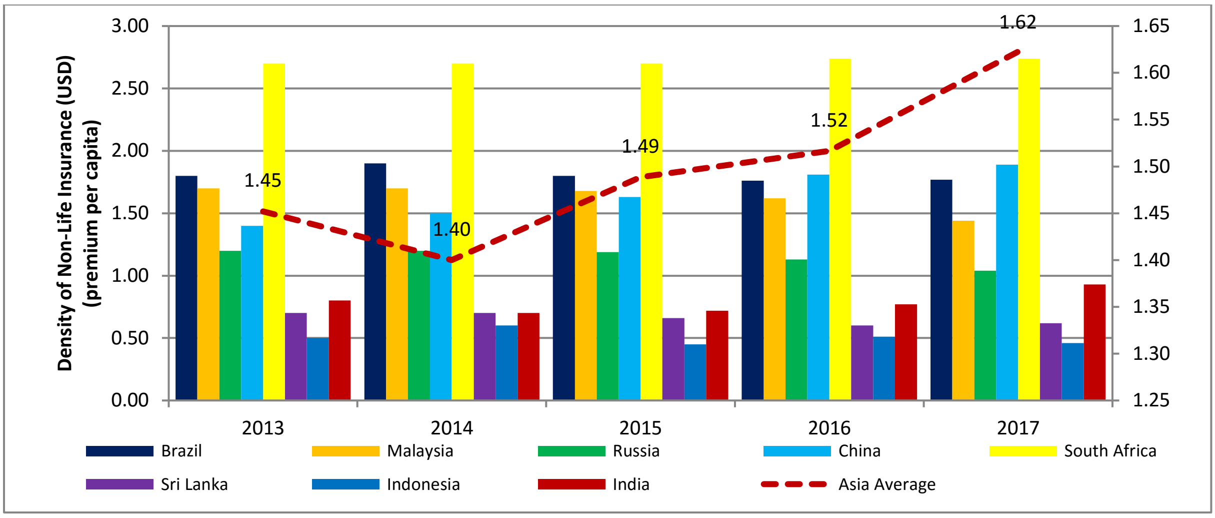
The size of the general insurance industry in 2017 was USD 2.23 trillion (as against USD 2.12 trillion in 2015); North America accounted for ~40% of the overall business while Europe contributed ~28% and Asia accounted for ~24% of the overall business. The global general insurance industry which grew at a CAGR of 2.6% over 2012-2017 bounced back in 2017, and 2016 after a poor performance in 2015 with a 2.8% growth in 2017, and 3.14% growth in2016 as against a contraction of 2.30% in the previous year. The developing economies (as per UN's classification) grew at a faster pace at 6.1% in 2017 as compared to the developed economies which grew at 2.9%. Swiss Re's outlook for the global industry remains moderate with performance expected to be supported by the advanced economies (which contribute 77% to the global business) with the improvement in macro indicators for the United States and the monetary tightening in the US economy being one of the key drivers. In the developing economies, the growth is expected to remain robust with the increase in insurance penetration and density touted to be key growth drivers.

The following chart sets forth the global trend in the general insurance business:

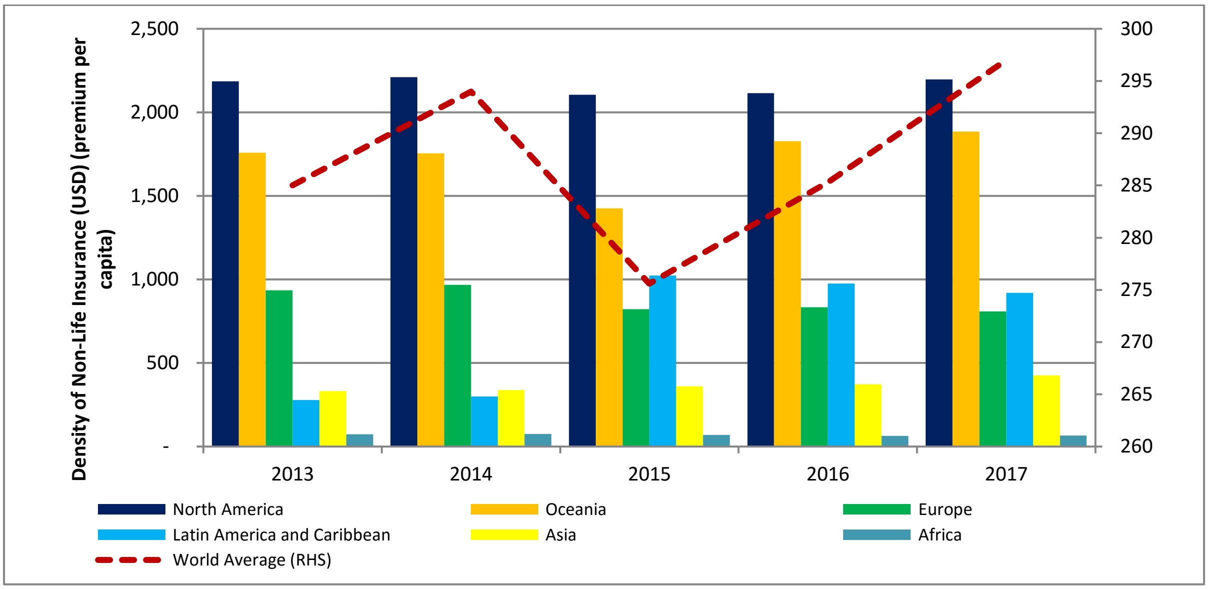


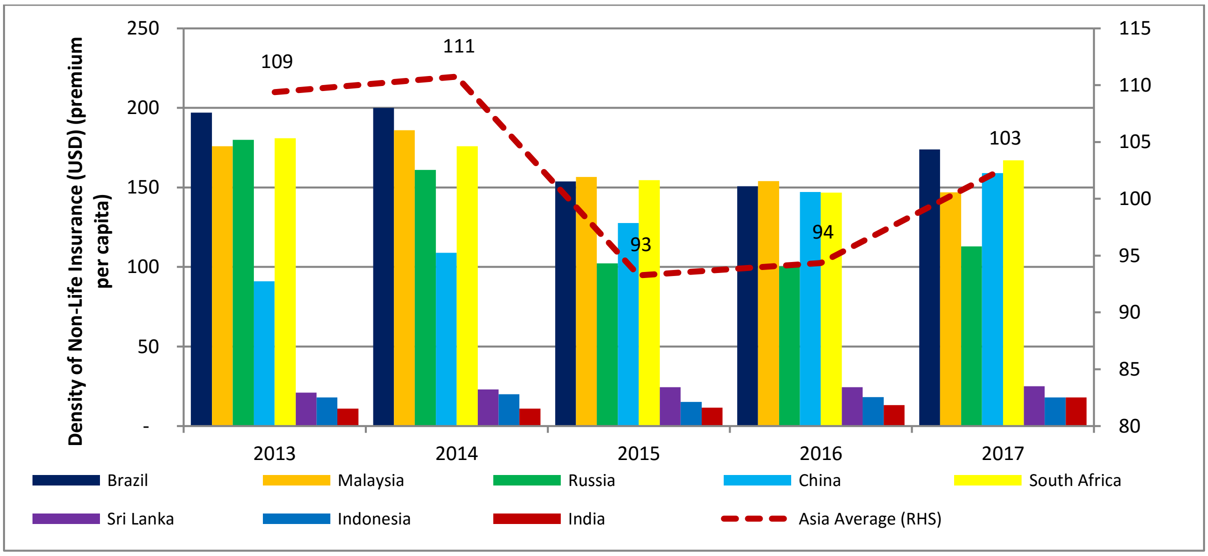
The following charts show trends in penetration worldwide and in select markets in the general insurance industry:





The following charts show trends in density worldwide and in select markets in the general insurance industry:

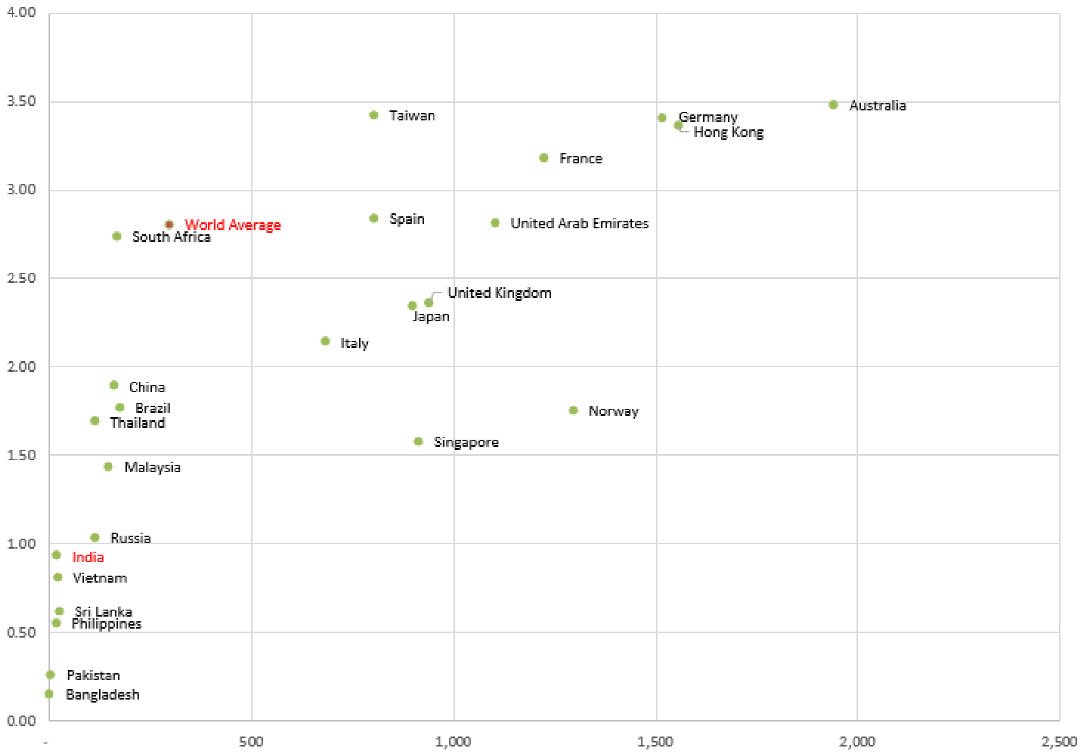




Among the BRICS nations, India fares poorly in terms of maturity and density.

The developed geographies (North America, Oceania and Europe) continue to rank higher on parameters such as penetration (measured as percentage of insurance premium to the gross domestic product) and density (measured as premium in USD per capita) although with a mixed trend in these indicators across years. During 2017, however the penetration and density across geographies improved/remained stagnant vis-à-vis the previous year. The global average penetration and density during 2017 were 2.8% and USD 297, respectively, as compared to 2.81% and USD 285, respectively, in 2016. With the increase in average age of the global population, increase in medical expenses incurred per capita and innovation in the insurance distribution with application of data analytics, penetration and density of the industry is expected to improve further in the long term. The opportunity for growth in the developing economies also continues to remain high given their healthy economic growth, underpenetrated insurance markets, evolving regulatory environment and product innovation as per geographic needs.

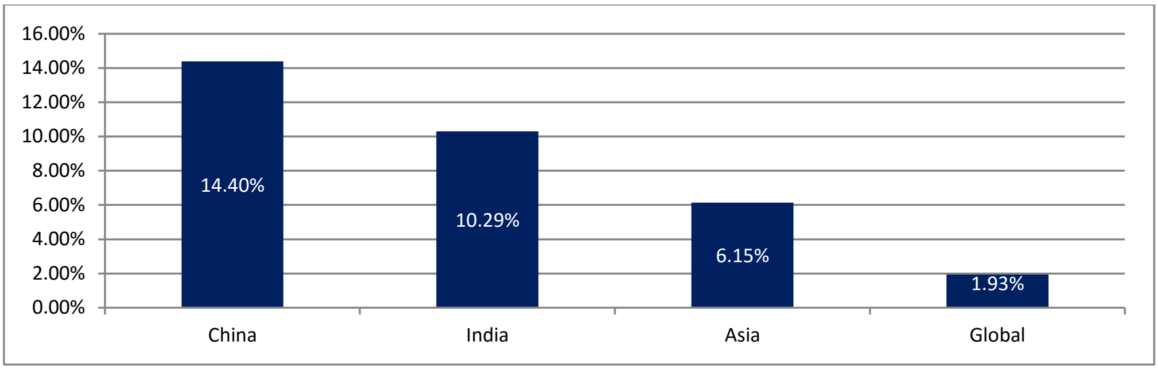
The following chart sets forth a comparison of insurance penetration and density in specific markets in 2017:



Factors Affecting Growth Trend in India

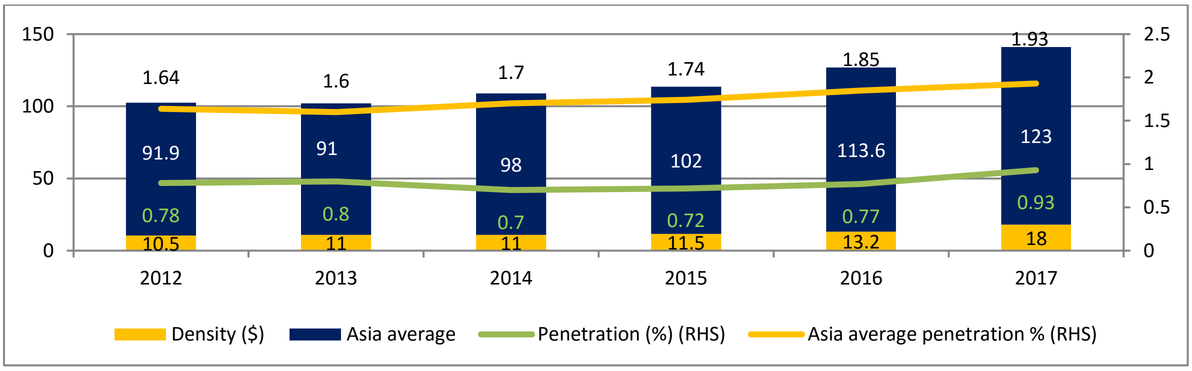
The growth in the overall business in 2016 was supported by marked improvement in the general insurance premium volumes in Europe, where the market grew by 0.55% after a year of sharp contraction of 12.20% in premiums in 2015, but it continues trails the pre-euro zone crisis levels. While the general insurance premiums contracted in key economies of United Kingdom, Italy and Switzerland, growth in Germany, France, Spain and Netherland supported the overall volumes. 2016 also saw improved performance of the North American and the Asian markets where the premiums grew by 3.56% and 10.29%, respectively. In Asia, Peoples Republic of China, Japan and South Korea, which collectively contribute approximately 79% of the total premium in the Asian markets (17% in the global markets), reported a healthy growth in premiums of 8.84%, 15.81% and 4.78%, respectively. India, which accounted for 4% of the premiums in the Asian markets, grew at a faster pace of 15.28% compared with the global average and the average across Asian counties. Growth of the Indian general insurance is expected to remain above the global and the Asian average given the low penetration, density and the evolving regulations aimed at improving insurance coverage.

The following chart sets forth the opportunities for growth:



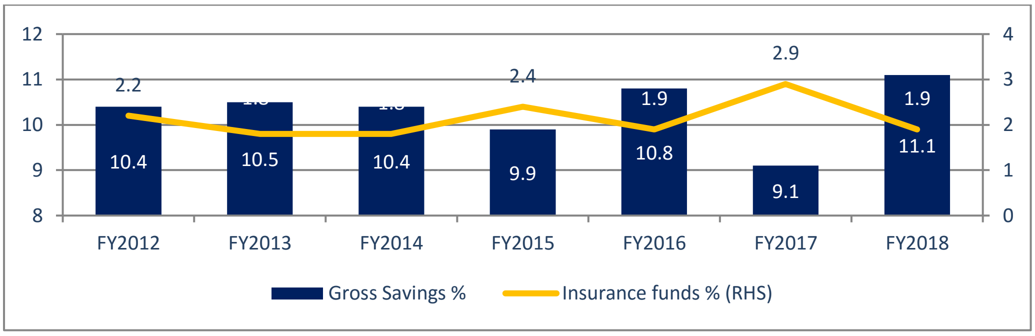
The Indian insurance sector has been growing at a faster pace compared with the global average and the Asian markets, however the maturity of the insurance business remains moderate.

The following chart sets forth insurance penetration and density in India from 2012 to 2017, as compared to the average in Asia:



The industry in India remains at a nascent stage albeit there have been considerable developments in the General Insurance space, including the de-tariffing of products, increase in Foreign Direct Investment (“**FDI**”) limits through the automatic route, push to improve insurance coverage of crops andthe proposed amendment of the Motor Vehicle Act, all of which are expected to have a positive impact on the growth of the business in the Indian markets. The GOI has also made encouraging announcements pertaining to foreign ownerships in insurance companies, listing requirements, the use of e-commerce, special schemes (aimed at the masses at minimal rates) and setting up of a common insurance portal for selling products and reinsurance companies operating in the country. ICRA expects these steps to gradually start affecting the penetration and density matrices positively. However, ICRA also believes that if India were to match andreduce risk of loss in lives and capital in sub-segments such as health, personal accidents and property, insurance penetration and density levels would increase to match the other developed Asian nations.

Awareness levels for insurance products in India also remain low currently, with approximately 2% of Gross National Disposable Income parked in insurance funds, while savings in currency and deposits hover at more than 6%. The following chart shows the gross savings rate and insurance funds as a percentage of Gross National Disposable Income in India:



The numbers in financial year 2017 above are skewed because of the demonetization exercise. With interest rates hardening over the near term, asset allocation in insurance products would be less attractive.

Distribution Trends

Individual Agents

Currently, individual agents continue to be a major channel for insurance distribution. Given the highly competitive landscape and higher information symmetry in the present scenario, the agents are required to be educated, trained and be aware of their employer's products and competitors, unlike during the pre-liberalization era. The customer's trust continues to be a major factor while deciding from whom they can buy an insurance policy and hence individual agents continue to be very important when distributing insurance products in an underpenetrated market with limited awareness of the variety of products available. As per the IRDAI guidelines, an individual agent may represent one life insurer, one non-life insurer and one standalone health insurer. In addition the agent can represent the two specialized insurance companies, Export Credit Guarantee Corporation and Agriculture Insurance Corporation of India.

Corporate Agent

Corporate agents are entities, which are already engaged in a business and which leverage their existing business setup and customer base to distribute insurance policies of their insurance partner. These agents could be a car dealer, two-wheeler dealer, travel agency or even a bank or NBFC. When a bank is appointed as a corporate agent for an insurance player, the arrangement is referred to as a bancassurance partnership. Prior to open architecture, IRDAI permitted a corporate agent to represent one life insurer, one non-life insurer and one standalone health insurer. After the August 2015 change in regulations, a corporate agent can now represent up to three life insurers, three non-life insurers and three standalone health insurers (additional details provided below). In addition the agent can represent the two specialized insurance companies, Export Credit Guarantee Corporation and Agriculture Insurance Corporation of India.

Branches and Distribution Network

India's General Insurance industry taken together, added 2940 branches over a seven year time frame with the total number of branches increasing from 6,417 branches as on March 31, 2010 to 9357 branches as on March 31, 2017. Over the same period, the median increase in the state-wise branch network was around 72% with some states like Tamil Nadu, Uttar Pradesh, Madhya Pradesh, Jharkhand and Chhattisgarh witnessing a doubling of branch network.
As on March 31, 2017, the top 10 states account for around 82% of the total branch network across the country, with Tamil Nadu, Maharashtra and Uttar Pradesh having the highest number of branch offices, in that order.

Impact of Open Architecture on Corporate Agencies

In August 2015, the IRDAI introduced regulations for registration of corporate agents with respect to soliciting, procuring and servicing of Insurance businesses. A major amendment was a requirement for every corporate agent, including banks, to have a board approved policy on the manner of soliciting and servicing insurance products, which should address the manner of adopting the philosophy of open architecture and implement it going ahead. The regulations, however, left it to the discretion of the agent whether to have more than one insurance partner and permitted it to partner with a maximum of three insurance players in each of life, general and health insurance business lines.

The open architecture framework is favorable to insurance companies, which are not promoted by banks as it opens up avenues for such companies to forge new partnerships with banks and other large corporate agents for distributing their insurance products, instead of relying primarily on the agency channel. Given the advantages of the bancassurance channel, such companies stand to cut down operating costs while expanding their distribution reach significantly.

Digital Growth and Online Sales

India has a good penetration of telecommunication technology across various states and areas within these states. The evolving telecom landscape has also made way for high speed mobile internet to become available across the country at an affordable cost. The access to internet has led to increase in e-Commerce purchases of apparel, consumer durable, electronic instruments. At the same time, it has led to increase in online banking transactions as well as purchase of insurance products.

While the online channel currently has a very small share of the annual general insurance premium underwritten, given the high penetration of low cost telecommunication and internet technology in the country, the share of online channel is likely to increase in the medium to long term. Currently, health, personal accident, travel and motor insurance products form a major share of insurance products sold through the online channel. Apart from distribution, the online channel also provides all the requisite information that a prospective policyholder might seek, enables the prospects to evaluate from multiple insurance products using web-aggregators and provides an option of filing their claims online instead of physically visiting a branch office. Apart from being a cheaper mode of distribution, the online sales data can also be used for analytics to understand customer behavior and preferences.

As a part of its developmental mandate, the IRDAI issued guidelines on insurance e-Commerce in March 2017 to promote the distribution channel given its likely effectiveness in increasing insurance penetration in the country while lowering the transaction costs and bringing in higher efficiencies. Among other things, the guidelines specify the application procedure, code of conduct and operational guidelines for an insurer to set-up an Insurance Self Network Platform ("**ISNP**"), which is an electronic platform for transacting in Insurance.

Commission Structure

The IRDAI regulates the commission structure for insurance agents and intermediaries. In December 2016, IRDAI revised the rules for the commission structure which came into effect from April 1, 2017.

The following table sets forth the revised rules for the commission structure:

Segment	Maximum Commission payable to insurance agent (%)	Maximum remuneration payable to insurance intermediary (%)
Fire-Retail	15.00	16.50
Fire-Corporate (Risks with S.I. <₹2,500 crores)	10.00	11.50
Fire-Corporate (Risks with S.I. >₹2,500 crores)	5.00	6.25
Marine-Cargo	15.00	16.50
Marine-Hull	10.00	11.50
Miscellaneous – Retail	15.00	16.50
Miscellaneous – Corporate/ Group[1]	10.00	12.50
Miscellaneous – Corporate (Engineering Risks with S.I. >₹2,500 crores)	5.00	6.25
Motor (Comprehensive)[2]	15.00	
Motor (Stand-alone TP)	2.50	
Motor Insurance Service Provider (Automobile dealer)[2]	22.5% for 2 wheelers / 19.5% for other than 2 wheelers	
Health-Individual[3]	15.00	
Health-Group (Employer-Employee only) - Annual	7.50	
Health-Group (Non Employer-Employee groups) – Annual	15.00	
Health – Group (credit linked up to 5 years)	15.00	
Health - Government Scheme	As specified in the Government Scheme/ Notification else as per Health - Group Employer - Employee only) Annual segment	

Notes: 1. Commission/ remuneration shall be payable as per Government Notification.
2. Commission/ remuneration shall be payable only to the OD portion of the Motor (Comprehensive) policy. Updated as per the guidelines on Motor Insurance Service Provider (31st August 2017)
3. Includes annual premium, three years single premium, and three years regular premium.

The IRDAI increased the commission for insurance agents and insurance intermediaries. Insurance intermediaries include insurance marketing firms, corporate agents, insurance brokers and web aggregators. The commission on comprehensive or own damage motor insurance has increased to 15% from 10% of the premium. A commission of 2.5% of annual premium on the third party motor insurance was initiated. The commission in the retail fire segment has been increased from 12.5% to 15% of annual premium for agents and 16.5% for intermediaries. However, there was no change in the commission for marine insurance and miscellaneous insurance policies at 15% of annual premium while it was increased for intermediaries at 16.5% of annual premium.

Further, the insurance agents and intermediaries can get rewarded from the insurers apart from the commissions paid. The maximum reward can be 30% of commission or remuneration paid to insurance agents and insurance intermediaries. The insurance agents and insurance intermediaries eligible for reward are those whose revenues from other than insurance intermediation is equal to or less than 50% of their total revenue.

Regulatory Environment

The IRDAI is entrusted to safeguard the interest of the policyholders and to ensure development of the industry. IRDAI's function includes framing regulation for the industry, registering insurance companies, formulating the code of conduct for various stakeholders of the insurance industry, inspection of insurance companies and intermediaries, imposing fees and charges, resolving disputes between parties and establishing financial reporting norms. IRDAI also ensures the maintenance of solvency margin by insurers and regulates the investment of policyholder's funds by insurers.

Foreign Direct Investments in the Insurance Sector

The Insurance Act and the IRDAI Act, regulate the FDI in the insurance sector. During 2015, the government of India through Insurance Laws (Amendment) Bill, 2015, increased the foreign shareholding limit to 49% of the paid up equity capital against 26% permitted earlier, in order to attract higher FDI inflows into the insurance sector. The increase in limit is allowed under the automatic route subject to verification by IRDAI. However, the ownership and control of the insurance company will stay with the Indian shareholders with a right to appoint majority of directors, management control and take policy decisions.

Guidelines on Corporate Governance for Insurance Companies

IRDAI issued the revised guidelines on corporate governance for insurance companies on May 18, 2016, which was in-line with the Companies Act, 2013. The earlier guidelines on corporate governance were issued by IRDAI in 2009. The insurance companies had to follow the revised guidelines with effect from April 1, 2016. Few key takeaways from the revised guidelines are listed below:

- The board of directors should have a minimum of three independent directors. Insurers need to follow this guideline in one year from the effect of these guidelines. However, this requirement is relaxed to two independent directors for insurers in the first five years from the grant of certificate of registration.
- The chief executive officer of the company should be a whole time director of the board in case the chairman is non-executive Director.
- Insurance companies need to have at least one women director on the board.
- The mandatory committees required to be formed by the insurance companies in India are Audit Committee, Investment Committee, Risk Management Committee, Nomination and Remuneration Committee, Policyholders Protection Committee, With Profits Committee and Corporate Social Responsibility Committee. However, the Corporate Social Responsibility Committee is required to be set up if the insurance company reports net profit of more than ₹5 crore during the last financial year.
- Insurers need to set up a whistle blower policy to help employees voice their concerns about frauds, financial reporting issues, weaknesses.
- In-line with the Companies Act, 2013, the board evaluation should be done at least once in a year which will include independent directors, executive and non-executive directors.
- Key Management Person guidelines are revised for appointment and reporting, as such one person cannot hold in excess of one position of a key management person.

Motor Vehicle (Amendment) Bill, 2016

In December 2006, IRDAI created the Indian Motor Third-Party Insurance Pool ("**IMTPIP**") to make available motor third-party insurance, especially for commercial vehicles. All insurers registered in India to carry on non-life insurance business (including motor insurance business) or general reinsurance business were a part of this pool. The business (premiums and claims) was to be shared among all registered non-life insurers writing motor insurance business in relation to the GDPI in all classes of non-life insurance underwritten by them in that financial year. However, due to various operational inefficiencies, IRDAI decided after extensive consultation with various stakeholders to dissolve the IMTPIP and set up the Indian Motor Third-Party Declined Risk Pool ("**IMTPDRP**"), effective from the financial year 2013, for insuring standalone third-party risks for commercial vehicles.

Subsequently, the Insurance Laws (Amendment) Act of 2015 was notified on March 23, 2015, mandating insurers to complete a certain minimum motor third-party insurance business in the manner to be specified by IRDAI. In compliance with the said amendment in the Insurance Act, the IRDAI issued the IRDAI (Obligation of Insurers in respect of motor third-party Insurance Business) Regulations, 2015 which specified that insurers underwrite minimum obligations in respect of motor third-party business. In light of the same, there was no requirement to continue the IMTPDRP. Hence, IRDAI dismantled the IMTPDRP effective April 1, 2016.

The following table sets forth the key points to note on the bill, and its amendment in 2017:

Original bill proposed in August 2016	Amendments approved in Lok Sabha in April 2017	Outcome
The proposed amendment seeks to put a cap on the liability to be borne by insurance companies in respect of third party claims. As per the present Act, the liability of the insurer for indemnifying the owner for compensation claims in respect of death or bodily injury arising out of use of motor vehicle is unlimited. In other words, as per present Act, the insurer has to cover the liability incurred in respect of any accident to the extent of actual amount of liability incurred. However, the proposed Bill seeks to replace the said provision with an altogether new provision, which puts an upper limit of liability of insurer to an extent of ₹1000,000 in respect of death and ₹ 500,000 in respect of bodily injury arising out of motor vehicle accident.	This clause was removed, thereby re-instating the current unlimited liability.	Neutral
The Bill seeks to make non-receipt of premium one of the specified conditions, which would enable the insurer to seek exoneration from the liability. As per the present law, non-receipt of premium would not amount to breach of a statutory condition. The proposed Bill seeks to remedy that situation, incorporation of a new sub-section, Section 166(5), with a non-obstante clause which says that the right of a person to claim compensation for injury in an accident shall, upon the death of the of the person injured, survive to his legal representatives, irrespective of whether the cause of death is relatable to or had any nexus with the injury or not.	This clause remains unchanged.	Negative
The 2016 Bill allows the central government to make a scheme for providing interim relief to claimants seeking compensation under third party insurance for motor vehicle accidents. Any contravention of any provision of the scheme may be punishable with imprisonment of up to two years, or with a fine between ₹25,000 and ₹500,000.	This clause was removed.	Neutral

Guidelines on MISP (August 2017)

The Insurance Regulatory and Development Authority of India (IRDAI) had released the MISP guidelines in August 2017, effective from November 1, 2017. The guidelines specify that for selling a company's insurance policies, an MISP can be offered incentives by the insurer or the intermediary it has tied up with. But the maximum amount allowed is capped as a percentage of the OD premium (details provided below). The salient features of the guidelines are:

- MISPs have to offer a choice of motor insurance policies of different insurer(s) to the client. They also have to state the premium rates from different insurers
- MISPs cannot receive any payment directly or indirectly for outsourcing activity on behalf of either the insurer or any intermediary neither can they force a customer to buy motor insurance policy through an insurer
- MISPs cannot directly or indirectly control or interfere in the determination of policy premiums or interfere in product designs
- MISPs cannot interfere in the appointment of surveyors and the assessment activities of loss assessors neither can they directly or indirectly influence claims for inflating their revenues

The maximum distribution fees payable to an MISP is as follows:

- For two-wheelers, the maximum fee is 22.5% of the OD portion
- For all vehicles other than two-wheelers, the maximum fee is 19.5% of the OD portion

The guidelines will enable smaller players to increase OEM tie-ups and will end the exclusive tie-ups a few larger players had historically enjoyed. This will also increase the pricing competition in the motor-OD segment.

Regulatory changes for Motor TP products applicable from September 1, 2018:

In August 2018, the Supreme Court mandated general insurance companies to underwrite only long-term third-party insurance for new vehicles sold on or after September 1, 2018. New cars would be provided three-year insurance covers, while new two-wheelers would be covered by five-year insurance products. Subsequently IRDAI has issued guidelines for general insurers, in this regard, in addition to the regulatory premium rates to be introduced for the new products in September 2018. The guidelines are also applicable on the comprehensive covers that bundle both third party and own damage covers. With this move, the additional cost for new car buyers would range from about ₹5,300 to ₹24,300 and for two-wheeler buyers, it would be about ₹ 1,050 to ₹ 13,050, depending on the vehicle category.

Private cars:

Vehicle Category	Previous Premium		New Multi Year Premium	Difference	%
	Annual Premium	Total 3-year outflow	Long Term Premium		
< 1,000 cc	1850	5550	5,286	-264	*-4.8%*
1,000 cc to 1,500 cc	2863	8589	9,534	945	*11.0%*
> 1500 cc	7890	23670	24,305	635	*2.7%*

Two-wheelers:

Vehicle Category	Previous Premium		New Multi Year Premium	Difference	%
	Annual Premium	Total 5-year outflow	Long Term Premium		
< 75 cc	427	2135	1045	-1090	*-51.1%*
75 cc to 150 cc	720	3600	3285	-315	*-8.8%*
150 cc to 350 cc	985	4925	5453	528	*10.7%*
> 350 cc	2323	11615	13034	1419	*12.2%*

The new multi-year products are expected to significantly reduce the number of non-insured vehicles on roads in the country, and spare the customers from yearly renewals, helping them to stay insured at higher/lower rates (depending on vehicle category) for long-term. For the insurers, the premium would be collected for the entire term at the time of underwriting but would be recognised as income on a yearly basis, while the remaining premium would be accounted as "Premium Deposit" or "Advance Premium". Hence the up-front premium collections may help the insurers to earn additional investment / interest income. The move is also expected to improve the premium income for these insurers, as it ensures more visibility for premium income beyond one year, which previously remained uncertain due to low renewal rates. First year policy is sold through the dealer channel, while renewals are sold online or through agencies.

Competitive Scenario

Gross Business Underwritten

The following table sets forth the break-up of GWP per segment:

(₹ in crore)

	Financial year							H1FY2019*
Combined	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018***	
Fire	7,320	8,864	9,703	10,517	11,358	12,207	13,648	7,386
Engineering	2,690	2,859	2,943	2,730	2,732	2,615	2,515	1,352
Marine Cargo	1,953	2,051	2,159	2,188	2,248	2,238	2,328	1,389
Marine Hull	1,210	1,259	1,326	1,163	962	890	754	356
Motor OD	15,289	18,108	19,607	20,755	22,730	25,159	27,916	13,499
Motor TP	15,573	12,833	15,509	18,006	21,293	26,649	33,107	17,157
Aviation	645	662	630	596	611	604	550	374
Health	13,477	15,773	17,912	20,719	25,232	31,431	38,151	21,514
PA	1,418	1,686	1,892	2,230	2,678	3,718	4,478	2,685
Liability	1,087	1,187	1,362	1,366	1,942	2,141	2,245	1,428
Crop	-	-	-	-	1,902	14,569	17,559	9,852
Other Misc	4,040	4,577	5,339	6,083	4,033	3,964	3,985	1,794
Total	**64,702**	**69,859**	**78,382**	**86,353**	**97,721**	**126,185**	**147,236**	**78,788**

** FY2012-FY2017 data is total GWP sourced from GIC Yearbook, FY2018 and H1FY2019 data is derived from the GDPI data released by GIC with re-insurance inwards and acceptances approximated*

The total Gross Written Premium (GWP) for financial year 2018[5] (excluding specialized insurers) had grown by ~17% y-o-y to ₹ 147,236crore. The CAGR growth in the last five years (from financial year 2014-financial year 2018) was 17.1%. Crop insurance (+21%), Motor TP (+24%), and Health (+21%) segments contributed to the growth primarily in financial year 2018. Segments like Marine, Engineering and Aviation had seen a decline in financial year 2018. Motor OD, and Motor TP form close to 41% of the total business underwritten in financial year 2018. Health business contributed ~21% and also has shown an increasing trend. It should be noted that crop business has seen a rapid increase over past few years, and now forms ~12% of GWP.

The total GWP for the PSU segment increased 11% y-o-y to ₹ 72,656crore in financial year 2018; with Motor TP, Crop, Health and the Personal accident segments driving the strong growth. The Motor segment combined formed ~41% of the total business volumes, while the health segment comprised ~30% of the total volumes. Crop business saw a rapid growth (especially in the March 18 quarter) and accounted for ~8% of the total GWP.

PSU Players

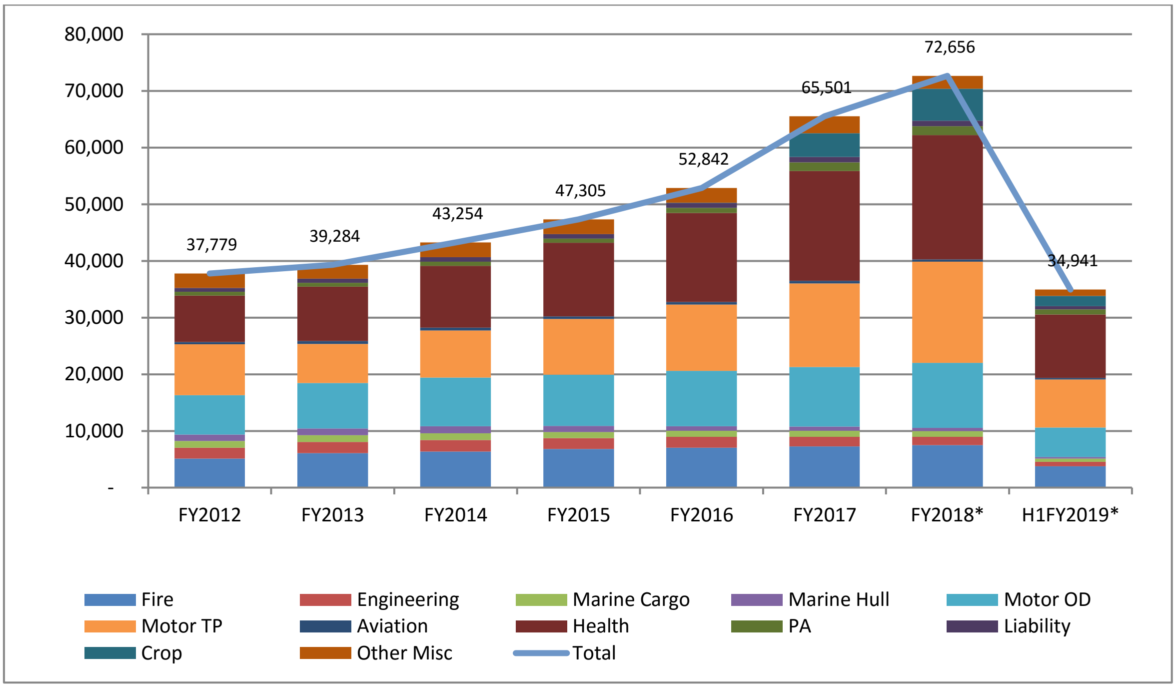
The following table sets forth the break-up of GWP for PSU players:

(₹ in crore)

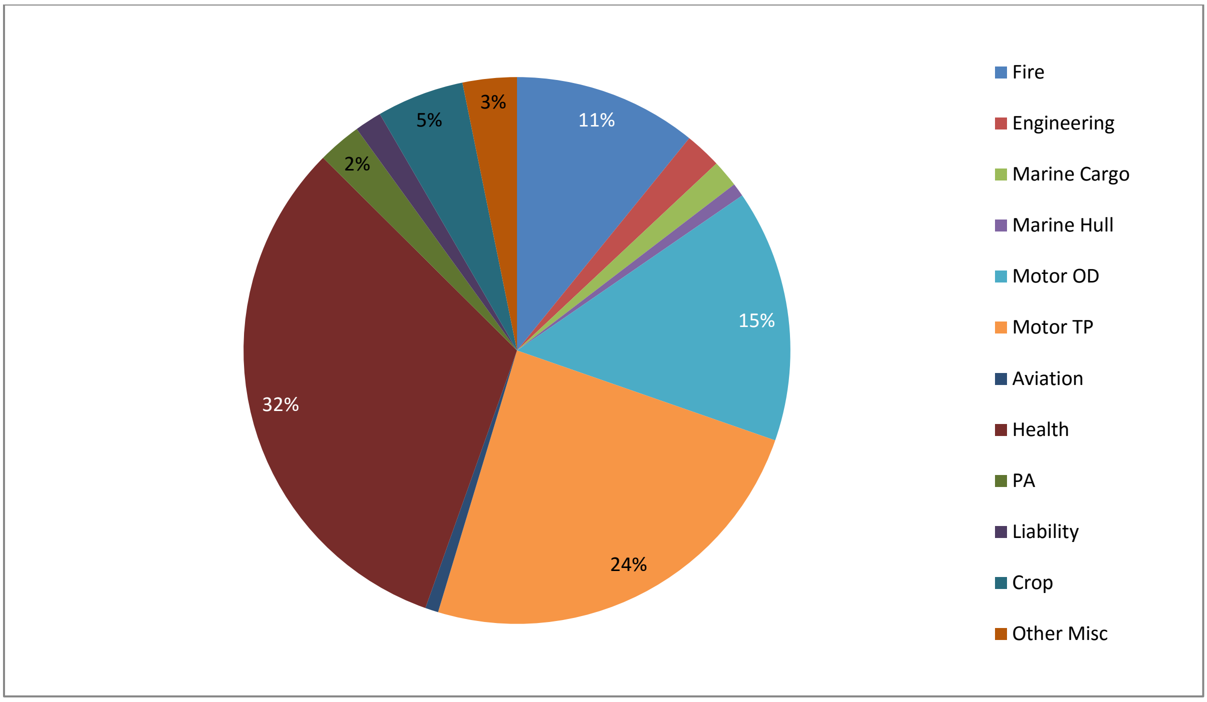
PSU	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018*	H1FY2019*
Fire	5,144	6,064	6,375	6,807	7,061	7,276	7,477	3,790
Engineering	1,923	1,999	2,048	1,910	1,886	1,713	1,485	756
Marine Cargo	1,191	1,205	1,170	1,115	1,069	1,033	994	559
Marine Hull	1,088	1,147	1,210	1,065	841	733	589	277
Motor OD	6,945	8,032	8,610	9,023	9,749	10,535	11,465	5,216
Motor TP	9,008	6,925	8,300	9,844	11,668	14,759	17,885	8,501
Aviation	416	502	505	457	460	447	382	271
Health	8,167	9,618	10,939	13,001	15,739	19,391	21,890	11,184
PA	706	679	692	742	905	1,510	1,617	902
Liability	648	687	800	743	861	966	939	560
Crop	-	-	-	-	5	4,153	5,651	1,805
Other Misc	2,543	2,426	2,605	2,598	2,598	2,985	2,283	1,118
Total	**37,779**	**39,284**	**43,254**	**47,305**	**52,842**	**65,501**	**72,656**	**34,941**

** FY2012-FY2017 data is total GWP sourced from GIC Yearbook, FY2018 and H1FY2019 data is derived from the GDPI data released by GIC with re-insurance inwards and acceptances approximated*

The following charts set forth the break-up of GWP for PSU players:



[5] The GWP for the industry is not available for financial year 2018 and H1financial year 2019. ICRA has used the GDPI data for financial year 2018, and applied the same ratio of Reinsurances Inward & acceptances from Motor Pool as financial year 2017.



Note: GWP figures are in ₹crore (for the financial year 2018 and first six months of the financial year 2019 numbers are derived from the GDPI data released)

The total GWP of the private players increased 23% y-o-y to ₹ 74,579crore in financial year 2018. Crop, Motor TP, health, and personal accident segments were the primary growth drivers. The combined motor segment accounted for ~43% of total GWP of the private sector, while crop formed 16%, and health 22% of GWP. The private players are growing faster than the PSU players, since the past few years. ICRA anticipates this trend to continue in financial year 2018 as well.

Private Players

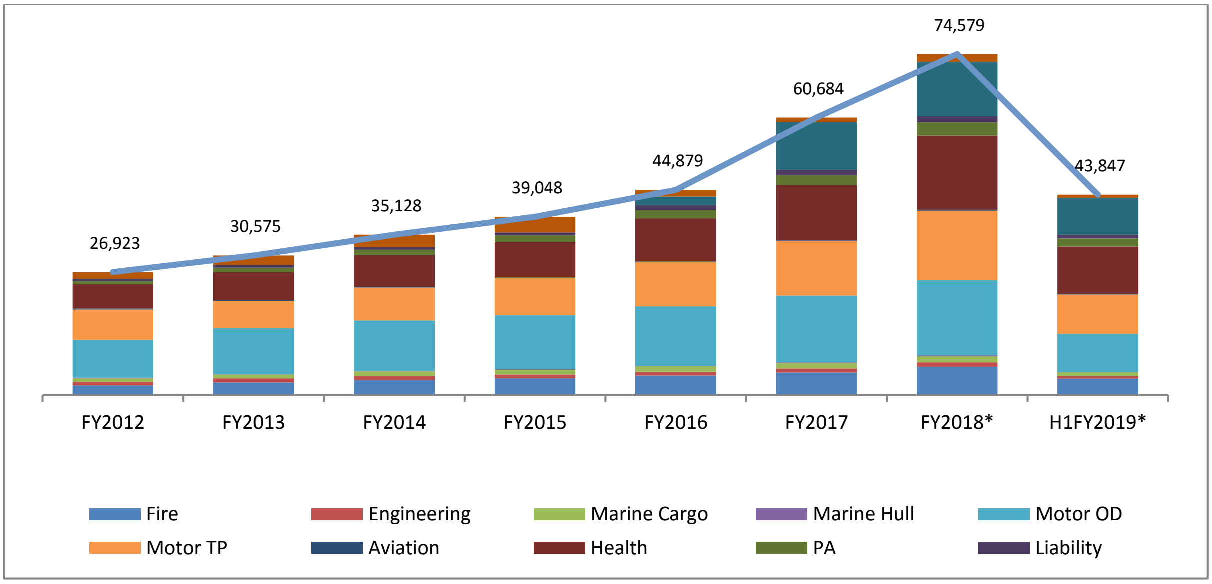
The following table sets forth the break-up of GWP for private players:

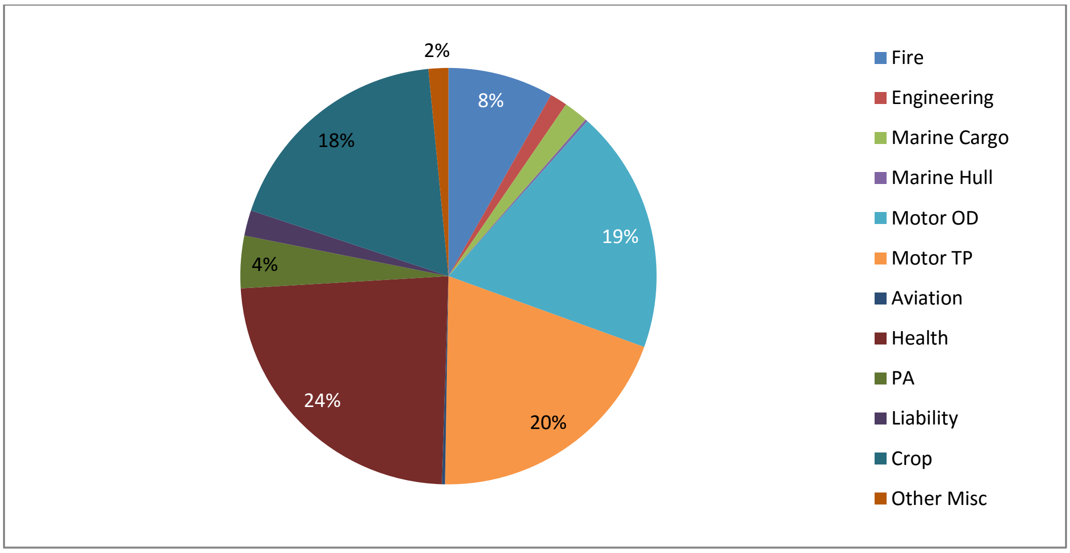
(₹ in crore)

Private players	**FY2012**	**FY2013**	**FY2014**	**FY2015**	**FY2016**	**FY2017**	**FY2018***	**H1FY2019***
Fire	2,176	2,800	3,328	3,710	4,297	4,931	6,171	3,595
Engineering	767	860	895	820	846	902	1,030	596
Marine Cargo	762	846	989	1,073	1,179	1,205	1,334	831
Marine Hull	122	112	116	98	121	157	165	79
Motor OD	8,344	10,076	10,997	11,732	12,981	14,624	16,451	8,283
Motor TP	6,565	5,908	7,209	8,162	9,625	11,890	15,222	8,656
Aviation	229	160	125	139	151	157	167	103
Health	5,310	6,155	6,973	7,718	9,493	12,040	16,261	10,330
PA	712	1,007	1,200	1,488	1,773	2,208	2,861	1,782
Liability	439	500	562	623	1,081	1,175	1,306	869
Crop	-	-	-	-	1,897	10,415	11,908	8,047
Other Misc	1,497	2,151	2,734	3,485	1,435	980	1,702	675
Total	**26,923**	**30,575**	**35,128**	**39,048**	**44,879**	**60,684**	**74,579**	**43,847**

** FY2012-FY2017 data is total GWP sourced from GIC Yearbook, FY2018 and H1FY2019 data is derived from the GDPI data released by GIC with re-insurance inwards and acceptances approximated*

The following chart sets forth the break-up of GWP for private players:





Notes: GWP figures are in ₹ crore (financial year 2018 and first six months of the financial year 2019 numbers are derived from the GDPI data released)

Segment Performance

Fire Insurance

The fire insurance segment includes property insurance coverage. The segment has been growing steadily in the last three years. The private sector participation has been increasing with the players having higher bancassurance channel taking a larger chunk of the retail fire portfolio. The PSU players have the leading market share for Fire segment, but this has been declining at a steady pace since last three years. The net retention ratio for the fire segment as of financial year 2017 was 45%, lower than the overall retention ratio. The non-retail portion of fire insurance would be large chunky exposure, and hence the re-insurance for the portion is higher.

The net loss ratios in the fire segment was in the range of 70-75% till financial year 2016 but has increased substantially since then to around 83% in financial year 2018. The net loss in the private sector has improved in the last two years, but the losses in the PSU companies have increased.

The following table sets forth the market share estimates for the fire insurance segment(amounts in ₹crore):

Insurers (GDPI)	First Six Months of the Financial year 2019	Financial Year 2018	Financial Year 2017	Financial Year 2016

	Fire	Market Share (%)	Fire	Market share (%)	Fire	Market share (%)	Fire	Market share (%)
ICICI-Lombard	503	8.5%	917	8.5%	745	7.8%	633	7.3%
Bajaj Allianz	407	6.9%	790	7.3%	719	7.5%	615	7.1%
IFFCO-Tokio	437	7.4%	821	7.6%	537	5.6%	476	5.5%
Tata-AIG	428	7.3%	687	6.4%	521	5.5%	385	4.4%
Royal Sundaram	356	6.0%	620	5.7%	516	5.4%	422	4.8%
Reliance General	278	4.7%	364	3.4%	299	3.1%	259	3.0%
HDFC ERGO	194	3.3%	275	2.5%	277	2.9%	266	3.0%
Cholamandalam MS	143	2.4%	325	3.0%	233	2.4%	205	2.3%
Future Generali	123	2.1%	242	2.2%	189	2.0%	162	1.9%
Private sector total	**3,267**	**55.3%**	**5,594**	**51.8%**	**4,481**	**47.0%**	**3,854**	**44.2%**
New India	999	16.9%	2,093	19.4%	1,826	19.1%	1,692	19.4%
National	473	8.0%	903	8.4%	906	9.5%	879	10.1%
United India	623	10.5%	1,286	11.9%	1,359	14.2%	1,311	15.0%
Oriental	542	9.2%	925	8.6%	969	10.2%	984	11.3%
PSU total	**2,636**	**44.7%**	**5,207**	**48.2%**	**5,060**	**53.0%**	**4,866**	**55.8%**
Grand total	**5,903**	**100%**	**10,801**	**100%**	**9,541**	**100%**	**8,720**	**100%**

Motor Insurance

The Motor segment is broadly divided into two sub segments, Motor (Own Damage), and Motor (Third Party liability). The Motor TP segment pricing is regulated by IRDAI, and has largely been with the PSU players. The Motor-OD participation by the private players has increased in financial year 2018, with the private players collectively underwriting 62% of the total premiums. The top two players combined had a 19% of the market share of Motor-OD, however it has been on a declining trend. ICRA expects the Motor-OD segment to further diversify within the private players, and also anticipates higher 2 wheeler insurance through multi year contracts.

The loss ratio for Motor OD has reduced for both PSU and private players in financial year 2018[6]. The net loss ratio of the private players had reduced to 55% in financial year 2018, from 67% in financial year 2017. For the public players, the net loss ratio had declined to 91% in financial year 2018 from 80% in financial year 2017.

The following table sets forth the market share estimates for the motor insurance segment (amounts in ₹crore):

Insurers (GDPI)	First Six Months of the Financial year 2019				Financial Year 2018				Financial Year 2017				Financial Year 2016			
	Motor OD	Market share (%)	Motor TP	Market share (%)	Motor OD	Market share (%)	Motor TP	Market share (%)	Motor OD	Market share (%)	Motor TP	Market share (%)	Motor OD	Market share (%)	Motor TP	Market share (%)
ICICI-Lombard	1,484	11.6%	1,133	6.6%	3,062	11.6%	2,187	6.6%	2,760	11.6%	1,782	6.7%	2,523	11.8%	1,627	7.7%
Bajaj Allianz	980	7.7%	1,237	7.2%	2,120	8.0%	2,033	6.2%	2,066	8.7%	1,501	5.7%	2,128	10.0%	1,149	5.5%
IFFCO-Tokio	737	5.8%	717	4.2%	1,495	5.7%	1,507	4.6%	1,528	6.4%	1,445	5.5%	1,329	6.2%	1,078	5.1%
Tata-AIG	896	7.0%	798	4.7%	1,609	6.1%	1,205	3.7%	1,230	5.2%	791	3.0%	897	4.2%	514	2.4%
Royal Sundaram	639	5.0%	412	2.4%	1,239	4.7%	788	2.4%	1,070	4.5%	634	2.4%	874	4.1%	400	1.9%
Reliance General	673	5.3%	788	4.6%	1,198	4.5%	1,286	3.9%	952	4.0%	1,011	3.8%	795	3.7%	866	4.1%
HDFC ERGO	738	5.8%	548	3.2%	1,367	5.2%	940	2.9%	941	4.0%	661	2.5%	602	2.8%	573	2.7%
Cholamandalam MS	469	3.7%	867	5.1%	992	3.8%	1,648	5.0%	916	3.9%	1,243	4.7%	751	3.5%	917	4.4%
Private sector total	**8,272**	**64.7%**	**8,660**	**50.7%**	**16,449**	**62.4%**	**15,234**	**46.2%**	**14,606**	**61.6%**	**11,895**	**44.9%**	**12,978**	**60.7%**	**9,602**	**45.7%**
New India	1,557	12.2%	2,750	16.1%	3,354	12.7%	5,730	17.4%	3,096	13.0%	4,504	17.0%	2,784	13.0%	3,393	16.2%
National	1,327	10.4%	1,949	11.4%	2,832	10.7%	4,265	12.9%	2,605	11.0%	3,753	14.2%	2,625	12.3%	3,106	14.8%
United India	891	7.0%	2,291	13.4%	2,179	8.3%	4,912	14.9%	1,997	8.4%	4,046	15.3%	1,713	8.0%	3,016	14.4%
Oriental	739	5.8%	1,434	8.4%	1,545	5.9%	2,814	8.5%	1,421	6.0%	2,322	8.8%	1,274	6.0%	1,877	8.9%
PSU total	**4,515**	**35.3%**	**8,424**	**49.3%**	**9,910**	**37.6%**	**17,720**	**53.8%**	**9,119**	**38.4%**	**14,625**	**55.1%**	**8,396**	**39.3%**	**11,392**	**54.3%**
Grand total	**12,788**	**100%**	**17,083**	**100%**	**26,359**	**100%**	**32,955**	**100%**	**23,725**	**100%**	**26,520**	**100%**	**21,373**	**100%**	**20,994**	**100%**

Health Insurance

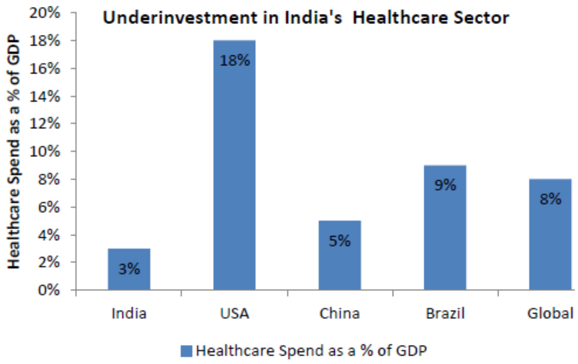
The health insurance segment has seen a declining participation from the private players. The private player share has declined to 21.8% in financial year 2018, from 26.8% in financial year 2015. Rampant frauds, strong competition from specialized health players and economically unviable government schemes are preventing the private players from rapidly increasing the portfolio. PSU players have been steadily increasing their market share in the health segment till financial year 2017, post which the high loss ratios resulted in a rethink of the

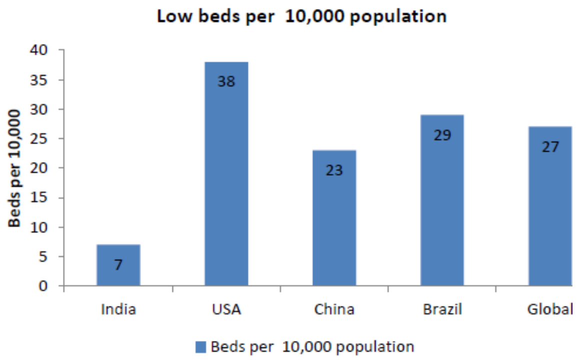
[6] The financial year 2017 data was manually calculated from the public disclosures. Historical data was sourced from GIC yearbook 2017

pricing strategy resulting in the market share declining to 57.4% in financial year 2018. Specialized health players have been gaining market share over the past three years.

The net loss ratio in the health segment has seen a diametrically opposite movement for PSU and private players. Private players have largely concentrated the growth in retail health products, where net loss ratio is lower, and also beefed up their internal fraud detection units. This has resulted in the net loss ratio declining to 73% in financial year 2018 (78% in financial year 2017). The PSU insurance companies had increased market share aggressively in the past few years, but the high loss ratios made them rethink on the pricing. Consequently, the net loss ratio improved marginally (but yet very high) at 110% in financial year 2018 (122% in financial year 2017).

The following graphs set forth certain details of healthcare spend and beds per 10,000 population:





The following table sets forth the market share estimates for the health insurance segment (amounts in ₹crore):

Insurers (GDPI)	First Six Months of the Financial year 2019		Financial Year 2018		Financial Year 2017		Financial Year 2016	
	Health	Market share (%)	Health	Market share (%)	Health	Market share (%)	Health	Market share (%)
ICICI-Lombard	1,235	5.9%	2,022	5.3%	1,791	6.0%	1,481	6.0%
SBI General	237	1.1%	473	1.2%	372	1.2%	216	0.9%
Bajaj Allianz	1,278	6.1%	1,497	3.9%	1,086	3.6%	839	3.4%
Tata-AIG	420	2.0%	553	1.5%	314	1.1%	269	1.1%
HDFC ERGO	575	2.7%	993	2.6%	749	2.5%	633	2.5%
Reliance General	735	3.5%	782	2.1%	344	1.2%	537	2.2%
IFFCO-Tokio	386	1.8%	671	1.8%	518	1.7%	432	1.7%
Private sector total	**5,806**	**27.6%**	**8,254**	**21.8%**	**6,106**	**20.5%**	**5,307**	**21.4%**
New India	4,230	20.1%	7,018	18.5%	5,933	19.9%	4,848	19.5%
National	2,612	12.4%	5,544	14.6%	4,639	15.6%	3,992	16.1%
United India	2,155	10.2%	5,596	14.8%	5,219	17.5%	4,123	16.6%
Oriental	1,999	9.5%	3,582	9.5%	3,274	11.0%	2,596	10.4%
PSU total	**10,996**	**52.3%**	**21,739**	**57.4%**	**19,064**	**64.0%**	**15,559**	**62.6%**
Specialized health total	**4,229**	**20.1%**	**7,904**	**20.9%**	**4,629**	**15.5%**	**3,982**	**16.0%**
Grand total	**21,030**	**100%**	**37,897**	**100%**	**29,800**	**100%**	**24,849**	**100%**

Crop Insurance

With the Pradhan Mantri FasalBima Yojana scheme, the crop insurance segment has seen a tremendous growth in the last year. What is noteworthy is the participation of the private players, where the total GDPI has increased to ₹11,908crore (47% of total crop GDPI in financial year 2018, up from 33.8% in financial year 2016). PSU players (excluding AIC) have also increased their participation in last crop season, and now contribute to 22% of the total business. Agriculture Insurance Company of India Limited (AIC) whose ultimate owner is GOI, has underwritten the bulk of business in financial year 2017, and financial year 2018.

The calculated net loss ratio [7] for the crop sector had deteriorated to 129% in financial year 2018, from ~84% in financial year 2017. ICRA expects the net loss ratio for the sector to remain elevated in financial year 2019, due to unseasonal weather patterns (flooding in multiple states). However, pricing discovery should also improve in the process.

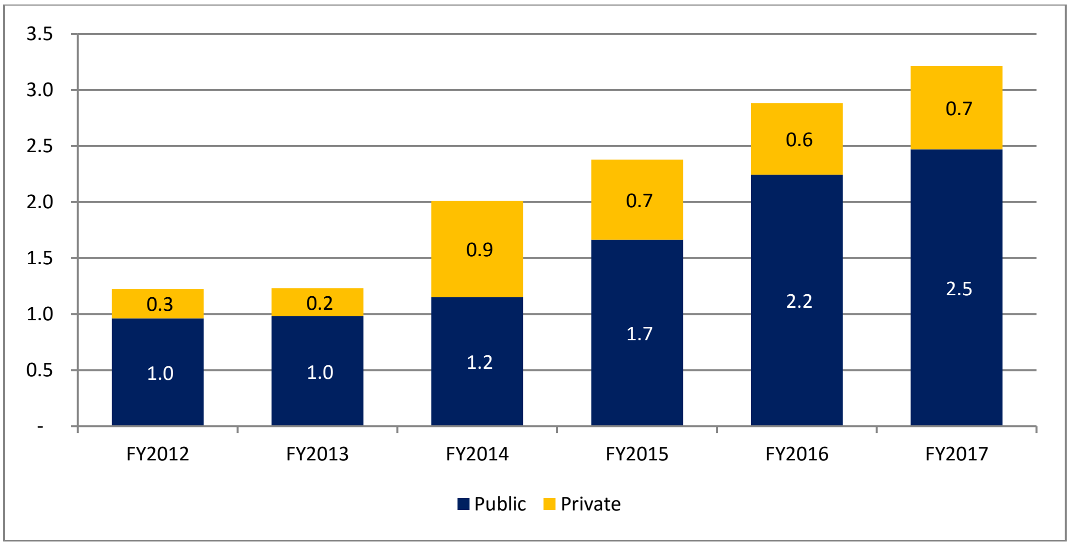
The following table sets forth the market share estimates for the crop insurance segment (amounts in ₹crore):

Insurers (GDPI)	First Six Months of the Financial year 2019		Financial Year 2018		Financial Year 2017		Financial Year 2016	
	Crop	Market share (%)	Crop	Market share (%)	Crop	Market share (%)	Crop	Market share (%)
ICICI-Lombard	1,810	11.9%	2,371	9.3%	2,151	10.5%	593	11.2%
SBI General	660	4.3%	700	2.8%	312	1.5%	106	2.0%
Bajaj Allianz	486	3.2%	1,835	7.2%	1,450	7.1%	368	6.9%
Tata-AIG	103	0.7%	416	1.6%	448	2.2%	65	1.2%
HDFC ERGO	1,235	8.1%	2,201	8.6%	2,022	9.9%	170	3.2%
Reliance General	925	6.1%	1,181	4.6%	1,089	5.3%	113	2.1%
IFFCO-Tokio	1,079	7.1%	1,077	4.2%	1,255	6.1%	-	0.0%
Cholamandalam MS	211	1.4%	501	2.0%	282	1.4%	139	2.6%
Future Generali	200	1.3%	-	0.0%	213	1.0%	48	0.9%
Private sector total	**7,622**	**50.2%**	**11,908**	**46.8%**	**9,865**	**48.3%**	**1,797**	**33.8%**
New India	541	3.6%	1,720	6.8%	1,053	5.1%	-	0.0%
National	-76	-0.5%	1,640	6.4%	589	2.9%	-	0.0%
United India	261	1.7%	1,466	5.8%	1,110	5.4%	4	0.1%
Oriental	875	5.8%	825	3.2%	932	4.6%	-	0.0%
PSU total	**1,601**	10.5%	**5,651**	**22.2%**	**3,683**	**18.0%**	**4**	**0.1%**
AIC total	**5,964**	**39.3%**	**7,893**	**31.0%**	**6,895**	**33.7%**	**3,509**	**66.1%**
Grand total	**15,186**	**100%**	**25,453**	**100%**	**20,442**	**100%**	**5,310**	**100%**

Claims Outstanding

The number claims in the GI industry has increased (between financial year 2012-financial year 2017) as the market increased in the same timeframe. The PSU firms with an aggressive growth in the 2014-2017 period witnessed a disproportionate growth in the claims outstanding. The private players to differentiate from each other and respond to PSU pressures in the pricing, have concentrated in addressing claims turn-around time. Hence despite an increase in the business underwritten, the claims outstanding had reduced from 2014 -17.

The following chart sets forth public as compared to private outstanding claims:



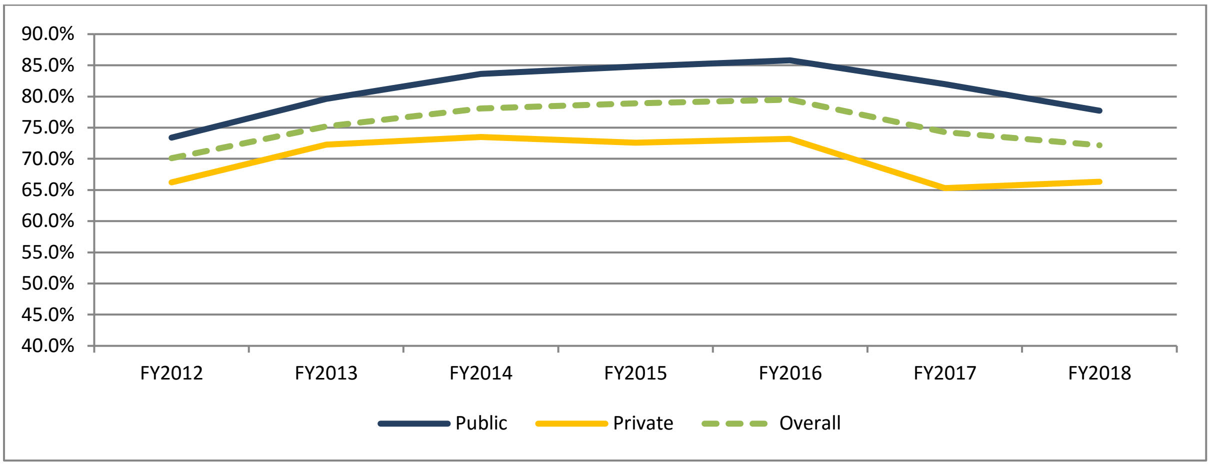
Note: Figures are in billion.

[7] Net loss ratio calculated was through public disclosures of top 13 private sector entities only.

Retention of premium

The retention ratio (Net Premium/Gross Premium) has shown a reversal of trends in 2016, 2017 and 2018. The effect was more pronounced in the private sector. A large reason for the reduction in the retention ratio is the increase of crop business underwritten in 2018. The crop business typically has retention ratio of 15%-20%, and as the private sector has underwritten the bulk of crop business in 2018, their retention ratio has seen a larger fall. IRDAI has periodically increased the licenses for foreign re-insurers to do business in India, this has helped the industry to better ascertain pricing and risk in the business.

The following chart sets forth the public as compared to private retention ratios:



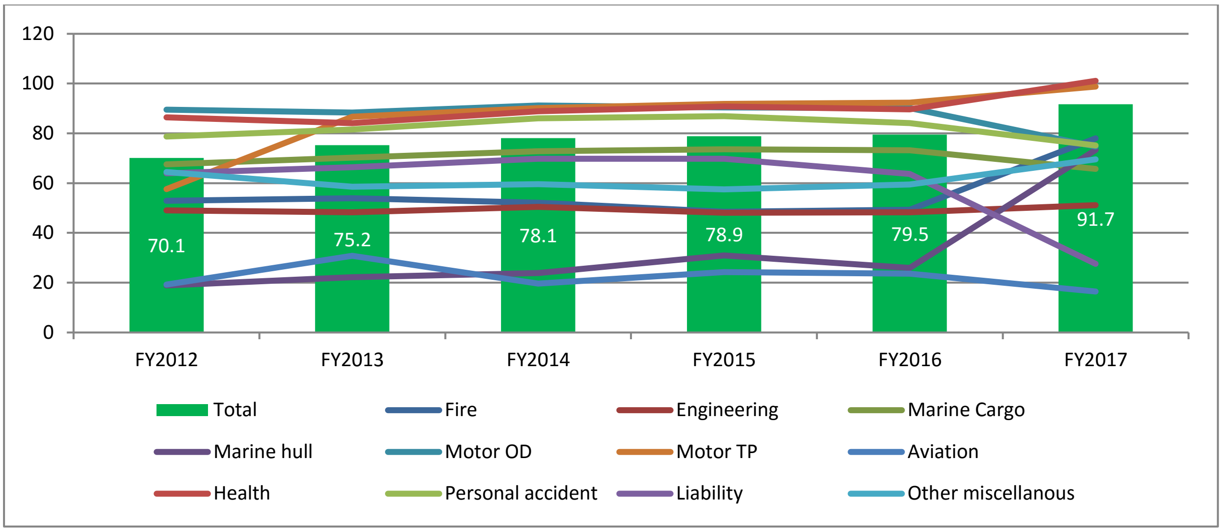
Segment wise loss ratio

The following table sets forth the segment wise loss ratio for private and public sector players combined:

Combined	**FY2012**	**FY2013**	**FY2014**	**FY2015**	**FY2016**	**FY2017**
Fire	52.9	53.9	52.2	48.5	49.3	78.0
Engineering	49	48.3	50.5	48.1	48.3	51.1
Marine Cargo	67.5	70.2	72.8	73.6	73.2	65.7
Marine hull	18.9	22.2	23.9	31	25.9	73.3
Motor OD	89.5	88.3	91.2	90.4	90.1	74.7
Motor TP	57.6	86.7	90.21	91.8	92.4	98.8
Aviation	19.2	30.8	19.6	24.3	23.6	16.5
Health	86.4	84.1	88.9	90.8	89.6	101.1
Personal accident	78.7	81.6	86	86.9	84.1	75.1
Liability	64	66.4	69.8	69.8	63.7	27.6
Other miscellaneous	64.5	58.6	59.6	57.5	59.4	69.5
Total	**70.1**	**75.2**	**78.1**	**78.9**	**79.5**	**91.7**

Note: The figures are in %

The following chart sets forth the segment wise loss ratio for private and public sector players combined:



Note: The figures are in %

PSU

The following table sets forth the segment wise loss ratio for PSU companies:

PSU	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Fire	62.5	64.4	63.2	59.3	61.5	96.5
Engineering	60	59.8	62.3	58.4	58.7	63.35
Marine Cargo	76.9	79.9	83.4	83	82.5	63.23
Marine hull	20.2	23.6	25.1	33.2	28.2	119
Motor OD	89.8	90	94.5	94.6	94.1	79.06
Motor TP	59.1	86.4	90.7	92.2	92.7	93.34
Aviation	19	31	14.9	22.5	20.9	6.46
Health	90.2	87.7	94.2	95.8	95.1	124.64
Personal accident	80.3	85.8	88.2	89.2	90.2	86.46
Liability	82.3	86.2	88.6	88.9	87.5	26.74
Other miscellaneous	83.9	80.5	85.5	84.9	82.5	74.64
Total	**73.4**	**79.6**	**83.6**	**84.8**	**85.8**	**100**

Note: The figures are in %

For PSU GI companies, the overall loss ratios have been increasing in the last five years. With the increased competition from the private sector players, the PSU companies had become aggressive in pricing the products, which has resulted in correspondingly higher claims ratio. The Health and Motor- third party segments have had higher loss ratios, and as this forms a large part of total premiums written by PSU GI (~56% of total business premium in financial year 2017), the loss ratios of these segment drive the total loss ratio of the PSU GI. The PSU GI have been aggressively building up their coverage in the government health schemes (which have high loss ratios), and also the motor third party liability segments (which have regulated prices, and high loss ratios).

Private

The following table sets forth the segment wise loss ratio for private companies:

Private	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Fire	30.1	31.1	31.3	28.8	29.4	50.15
Engineering	21.5	21.5	23.5	23.9	25	32.78
Marine Cargo	53	56.3	60.3	63.8	64.8	69.46
Marine hull	7.2	8.2	11.6	7.2	9.8	4.59
Motor OD	89.2	87	88.5	87.7	87	68.14
Motor TP	55.6	87.1	89.6	91.4	91.9	107
Aviation	19.7	30	38.8	30	31.5	31.5
Health	81.5	78.2	78.7	80.8	81.4	65.65
Personal accident	77.6	79.4	85.4	86.5	81.5	58.1
Liability	37	39.1	43	47	44.8	28.85
Other miscellaneous	44.1	42.4	39.1	31.6	33.5	61.88

Total	**66.2**	**72.3**	**73.5**	**72.6**	**73.2**	**79.1**

Note: The figures are in %

The private GI players have seen an increase in their loss ratios over the last five years, however it is lower than the PSU GI counterparts. Historically the motor portfolio has been the predominant segment for private players, but in financial year 2017 crop started to account for a large portion of the premium underwritten. The loss ratio has been high in motor OD segment, due to aggressive pricing initiated by the PSU GI players. financial year 2017 also saw an increase in loss ratio for crop (at present accounted under other miscellaneous segments), but most of the private firms expect loss ratios to trend downwards as they get more experience in the market. As the retention in crop segment is very low, net claims would be lower than the business underwritten.

Expenses

The combined ratio for the sector has been trending upwards since financial year 2014. A large reason for this is the PSU GI, whose combined ratio ~123% in financial year 2018. The higher claims ratio is the prime reason for the deterioration in combined ratio (from 82% in financial year 2014, the net claims ratio has increased to 92.7% in financial year 2018). The PSU GIs have started to rationalize the prices in the motor and health segments, which should help in improving the sector’s combined ratio for financial year 2019.It should be noted that insurers with historically higher Motor TP business, would have a relatively higher combined ratio. The interest expense paid out for a delay in Motor TP claim is included in net claims, but correspondingly the interest income earned on the policyholders investment for Motor TP reserves is accounted in investment income. This would result in a higher combined ratio, however ROE would remain unchanged.

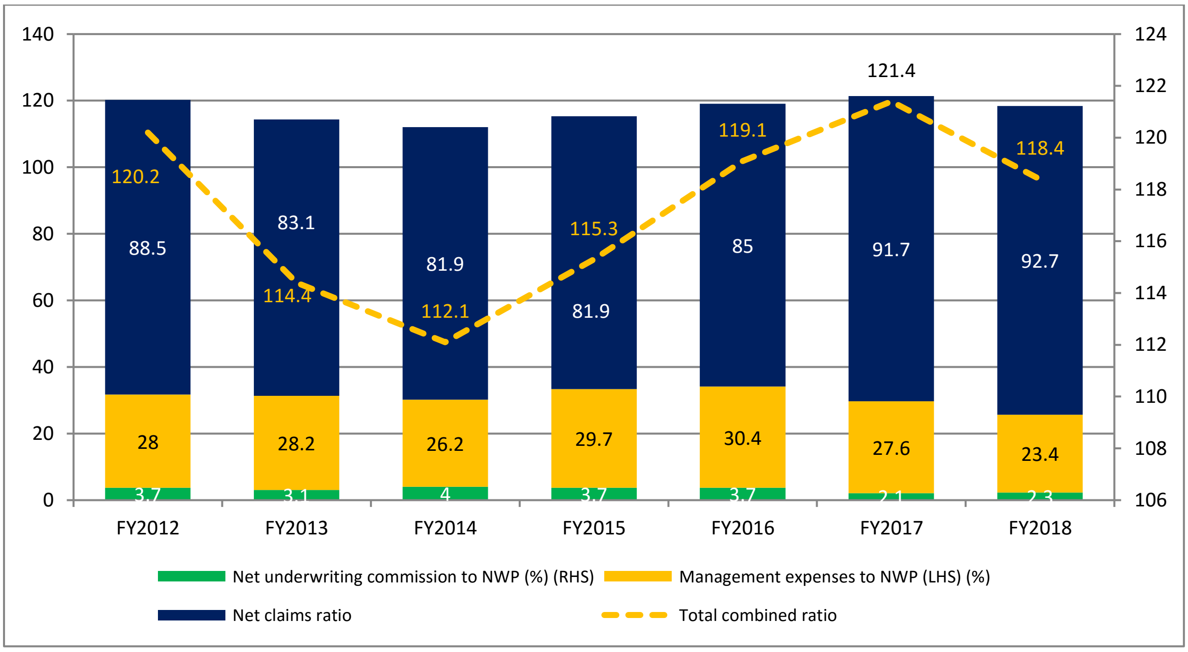
A silver lining in the expense management was reduction of overall commission expenses, and management expenses. IRRA regulations on commission have helped to rationalize the expense. The increase in business and banking tie-ups have helped the management expenses to trend downwards.

The following table sets forth the combined ratio for the sector:

Combined ratio	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Net underwriting commission to NWP	3.7	3.1	4	3.7	3.7	2.1	2.3
Management expenses to NWP	28	28.2	26.2	29.7	30.4	27.6	23.4
Net claims ratio	88.5	83.1	81.9	81.9	85	91.7	92.7
Total combined ratio	**120.2**	**114.4**	**112.1**	**115.3**	**119.1**	**121.4**	**118.4**

Note: The figures are in %

The following chart sets forth the combined ratio for the sector:



Note: figures in %

Investment pattern

The investment book of the general insurance industry had increased in the financial year 2017. Approximately 30% of the total investment book was in the government/state government bonds (a large part of it is by the private general insurance players). Equity investments (under approved investments) have increased, and are largely held by the PSU general insurance players, who also have a sizeable unrealized gains on the equity book. The investment yield in the financial year 2016 was the highest in last five years, due to a strong equity and debt market rally. The government bond yields started declining in the financial year 2017, and the equity market had a volatile year in the financial year 2017, due to which the overall yield fell by approximately 50bps in the period.

The following table sets forth the PSU and private investment portfolios:

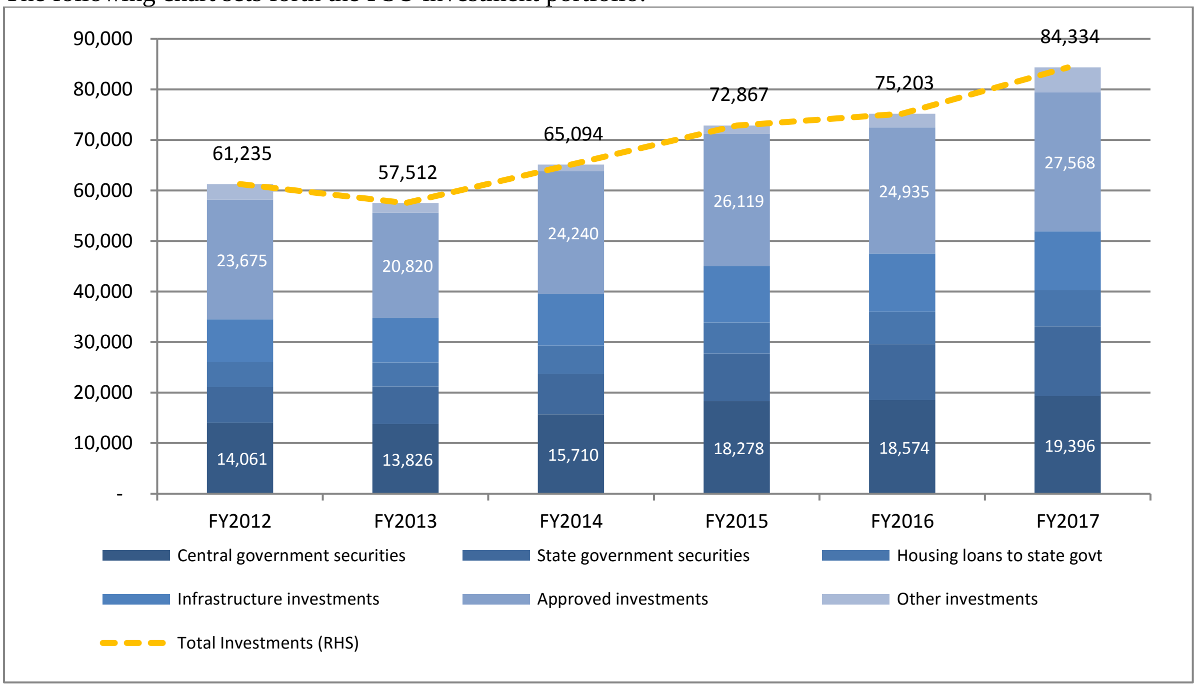
(₹ in crore)

PSU	**FY2012**	**FY2013**	**FY2014**	**FY2015**	**FY2016**	**FY2017**
Central government securities	14,061	13,826	15,710	18,278	18,574	19,396
State government securities	7,053	7,404	8,048	9,477	11,002	13,734
Housing loans to state government	4,907	4,709	5,549	6,124	6,474	7,120
Infrastructure investments	8,448	8,897	10,278	11,194	11,495	11,629
Approved investments	23,675	20,820	24,240	26,119	24,935	27,568
Other investments	3,091	1,855	1,269	1,675	2,723	4,888
Total Investments	**61,235**	**57,512**	**65,094**	**72,867**	**75,203**	**84,334**

(₹ in crore)

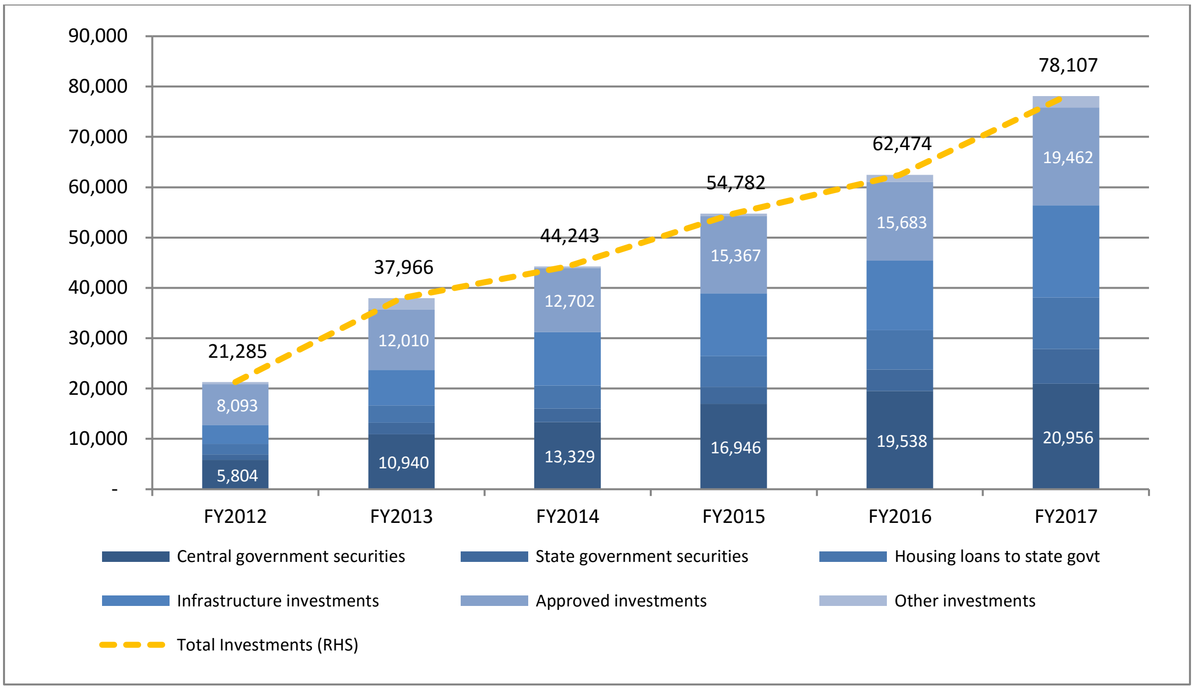
Private	**FY2012**	**FY2013**	**FY2014**	**FY2015**	**FY2016**	**FY2017**
Central government securities	5,804	10,940	13,329	16,946	19,538	20,956
State government securities	1,139	2,269	2,653	3,399	4,239	6,898
Housing loans to state government	2,066	3,462	4,600	6,131	7,850	10,243
Infrastructure investments	3,768	7,007	10,662	12,425	13,750	18,290
Approved investments	8,093	12,010	12,702	15,367	15,683	19,462
Other investments	415	2,278	298	514	1,414	2,259
Total Investments	**21,285**	**37,966**	**44,243**	**54,782**	**62,474**	**78,107**

The following chart sets forth the PSU investment portfolio:



Note: figures in ₹crore

The following chart sets forth the private investment portfolio:



Note: figures in ₹ crore

Investment portfolio growth

The table below shows the total investments of PSU players and top private players:

(₹ in crore)

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	35,297	44,961	44,546	51,873	55,538
United India	20,929	24,154	23,238	27,125	29,815
National	21,896	24,545	21,760	25,012	25,345
Oriental	18,767	20,659	19,599	22,802	22,804
Combined PSU	**96,889**	**114,320**	**109,143**	**126,813**	**133,502**
ICICI-Lombard	9,309	10,200	11,563	15,079	17,799
Bajaj Allianz	6,018	7,007	8,680	10,273	13,991
HDFC ERGO General	3,143	3,767	4,113	6,825	8,159
IFFCO-Tokio	2,194	2,785	4,111	6,562	7,148
Tata-AIG	2,811	3,028	3,684	4,851	6,621
Reliance General	3,843	5,048	5,381	6,724	7,999
Combined top private players	**27,317**	**31,835**	**37,532**	**50,314**	**61,717**

The quantum of investment when compared to the total net worth of both the private players and the PSU general insurance players are presented in the table below:

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	1.3	1.3	1.5	1.4	1.5
United India	2.2	2.1	2.4	2.9	3.3
National	2.0	1.9	2.4	2.6	4.4
Oriental	1.6	1.6	1.8	2.0	1.9
Combined PSU	**1.8**	**1.8**	**2.1**	**2.3**	**2.6**
ICICI-Lombard	3.7	3.2	3.3	3.4	3.4
Bajaj Allianz	3.6	3.1	3.1	2.9	3.1
HDFC ERGO General	3.6	3.7	3.9	3.7	4.6
IFFCO-Tokio	2.5	2.6	3.3	3.9	3.8
Tata-AIG	3.8	3.6	3.5	3.9	4.2
Reliance General	4.5	5.0	4.9	5.3	5.7
Combined top private players	**3.7**	**3.4**	**3.4**	**3.8**	**4.0**

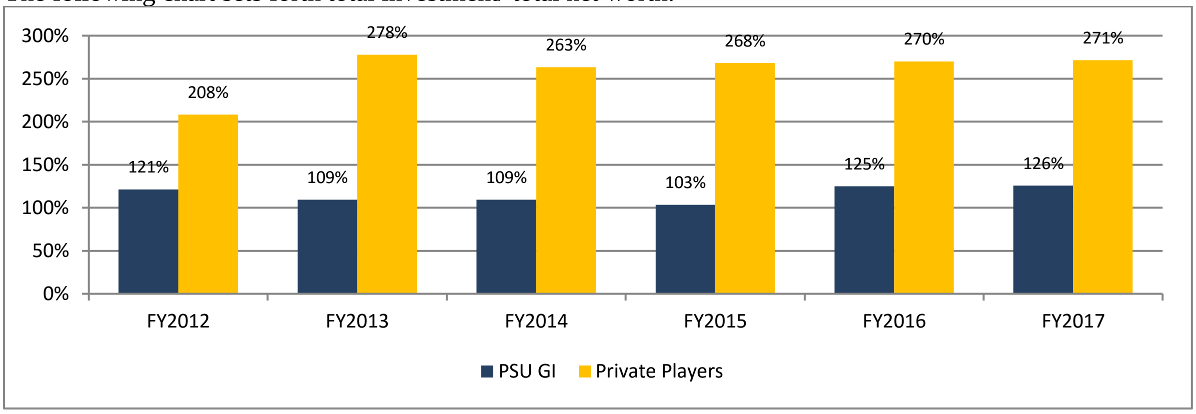
The private players historically had a higher investment book compared to PSU general insurance companies, which saw a sharp increase in the financial year 2017 (as business volumes picked up). The PSU general insurance companies' reported net worth includes approximately₹45,000 crore of fair value of the investments. If this were excluded, the total investments / total net worth ratio for the financial year 2017 would increase to approximately 573%.

The following tables set forth total investment/ total net worth and total investment / total reserves:

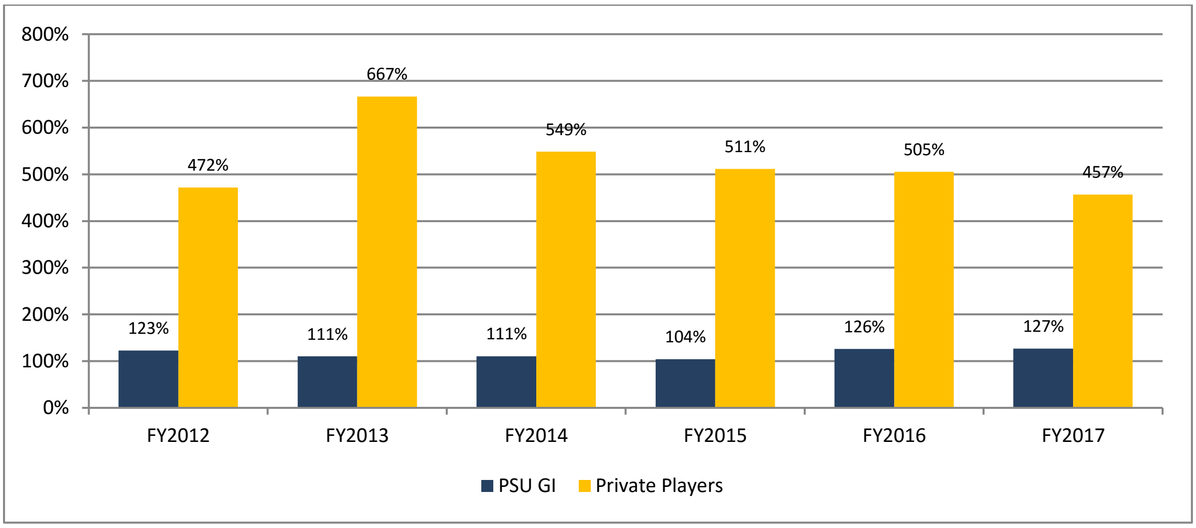
Total Investments / Total networth	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
PSU GI	121%	109%	109%	103%	125%	126%
Private Players	208%	278%	263%	268%	270%	271%

Total Investments / Total reserves	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
PSU GI	123%	111%	111%	104%	126%	127%
Private Players	472%	667%	549%	511%	505%	457%

The following chart sets forth total investment/ total net worth:



The following chart sets forth total investment / total reserves:



Capitalization and solvency levels

The table below shows the total reserves for PSUs and top private players:

(*₹ in crore)*

	FY2016				FY2017				FY2018			
PSU	Reserves for unexpired risks	Reserve for Outstanding Claims	IBNR Reserves	Total reserves	Reserves for unexpired risks	Reserve for Outstanding Claims	IBNR Reserves	Total reserves	Reserves for unexpired risks	Reserve for Outstanding Claims	IBNR Reserves	Total reserves
New India	8,012	9,710	6,616	**24,338**	8,788	10,715	7,197	**26,700**	10,020	11,448	8,272	**29,740**
United India	5,413	7,497	2,122	**15,032**	6,727	8,681	3,373	**18,780**	6,256	8,307	5,786	**20,349**
National	5,599	6,432	2,905	**14,936**	7,008	7,900	5,160	**20,068**	7,539	9787.95	7,743	**25,071**
Oriental	3,795	5,170	2,278	**11,243**	4,634	6,051	3,942	**14,627**	5,034	6,077	4,263	**15,374**

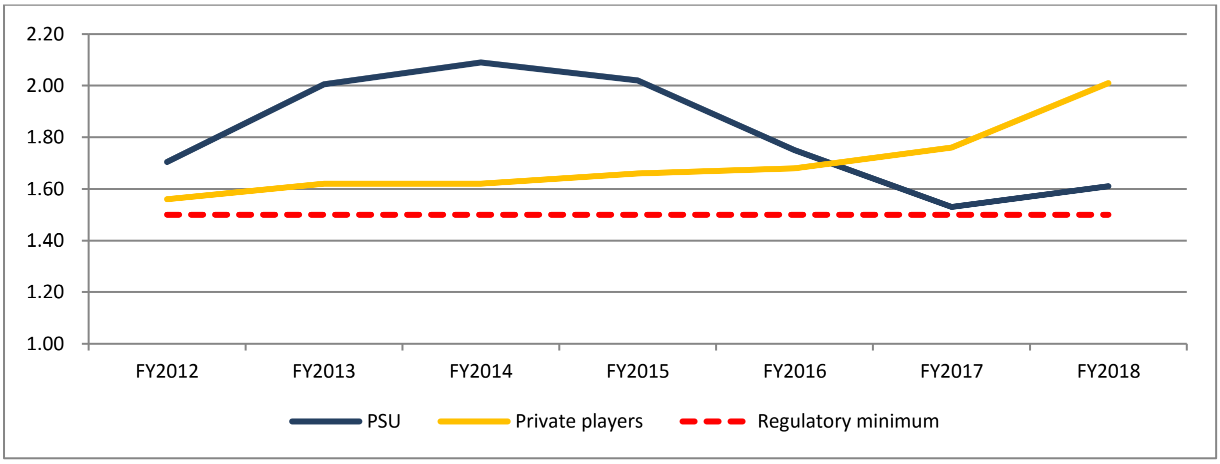
PSU	FY2016				FY2017				FY2018			
	Reserves for unexpired risks	**Reserves for Outstanding Claims**	**IBNR Reserves**	**Total reserves**	**Reserves for unexpired risks**	**Reserves for Outstanding Claims**	**IBNR Reserves**	**Total reserves**	**Reserves for unexpired risks**	**Reserves for Outstanding Claims**	**IBNR Reserves**	**Total reserves**
Combined PSU	**22,819**	**28,809**	**13,921**	**65,549**	**27,157**	**33,348**	**19,670**	**80,175**	**28,850**	**35,620**	**26,064**	**90,534**
Private	**FY2016**				**FY2017**				**FY2018**			
ICICI-Lombard	3,074	3,923	3,618	**10,614**	3,505	4,636	7,169	**15,310**	3,998	4,838	7,756	**16,592**
Bajaj Allianz	2,573	1,741	1,911	**6,225**	2,936	1,928	2,656	**7,520**	3,615	2,227	3,689	**9,531**
HDFC ERGO General	2,366	1,532	887	**4,784**	2,952	2,027	2,500	**7,479**	1,818	115	1,256	**3,189**
IFFCO-Tokio	1,508	969	1,537	**4,014**	1,459	1,490	1,866	**4,815**	1,876	1,554	2,225	**5,655**
Tata-AIG	1,122	914	658	**2,694**	1,625	964	988	**3,577**	2,231	1,024	1,634	**4,888**
Reliance General	910	1,675	1,804	**4,389**	1,405	2,734	3,252	**7,391**	1,887	2,649	4,497	**9,032**
Combined top private players	**11,552**	**10,753**	**10,415**	**32,720**	**13,882**	**13,778**	**18,432**	**46,092**	**15,424**	**12,407**	**21,057**	**48,887**

The table below shows the solvency ratio for PSUs and top private players:

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	2.61	2.44	2.30	2.19	2.58
United India	2.54	2.36	1.91	1.15	1.54
National	1.55	1.52	1.65	1.31	1.53
Oriental	1.64	1.66	1.59	1.11	1.67
Combined PSU (RHS)	**2.09**	**2.01**	**1.78**	**1.23**	**1.61**
ICICI-Lombard	1.72	1.95	1.82	2.10	2.05
Bajaj Allianz	1.96	1.82	2.51	2.61	2.76
HDFC ERGO General	1.60	1.65	1.67	1.71	2.06
IFFCO-Tokio	1.67	1.65	1.60	1.60	1.62
Tata-AIG	1.59	1.55	1.66	1.80	1.69
Reliance General	1.51	1.53	1.55	1.68	1.68
Combined top private players (RHS)	**1.64**	**1.65**	**1.67**	**1.75**	**1.87**

PSU solvency levels continued their downward trend due to high underwriting losses, a rapid increase in by undercutting premium prices, and consequently higher claims ratio. The median solvency ratio of the PSUs fell below the regulatory minimum due to solvency of National Insurance Limited and Oriental Insurance Limited. It should be noted that the PSU's have an aggregate amount of ₹45,400 crore in the fair value change account ("**FVA**") which forms close to 56.5% of the current technical reserves. These reserves are not counted for regulatory solvency calculation.

The following chart sets forth a comparison between the public, private and regulatory minimum for the solvency ratio:



Channel distribution

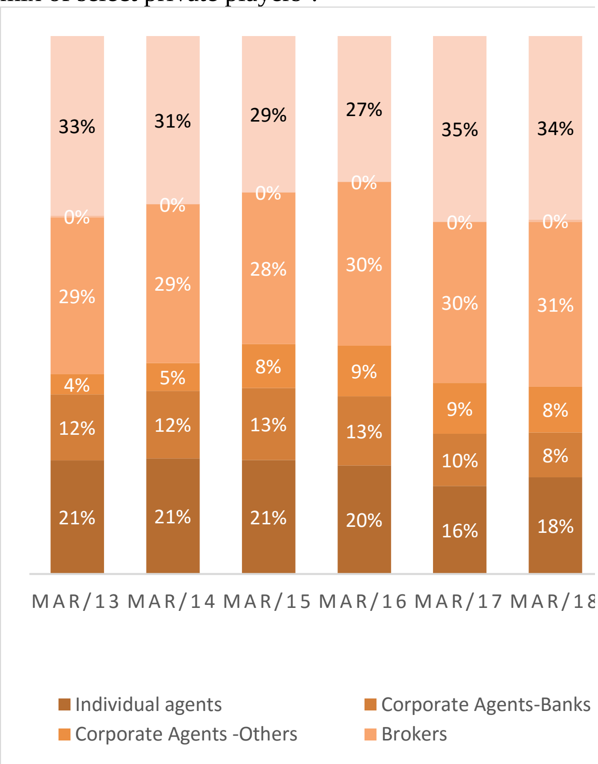
The share of business from the direct business channels has increased for both PSUs and select private players. The share of business originated by individual agents saw an improvement in financial year 2018for both select private players and PSUs. The new regulations on agent commission are partly related for the decline in financial year 2017, however almost all of the insurance players ICRA has interacted with have re-affirmed the importance of the individual agent channel. With the onset of new financial players (including small finance banks, payment gateways), ICRA expects the general insurance companies to leverage new distribution opportunities. With banks being allowed to distribute products of more insurance companies, ICRA expects this channel to gain traction. The commencement of small finance banks and payment banks will further aid the cause. At the same time, the digitalisation of the economy will also aid in improving the reach of insurance products to the masses. The industry has seen some movement here with India Post Bank announcing that it will start selling insurance products from financial year 2018 onwards; this will provide a much required reach for the both private and PSU players.

IRDAI has initiated a common portal for the insurance companies to sell their products, along with "web aggregators" these channels can be anticipated to increasingly form a meaningful revenue channel.

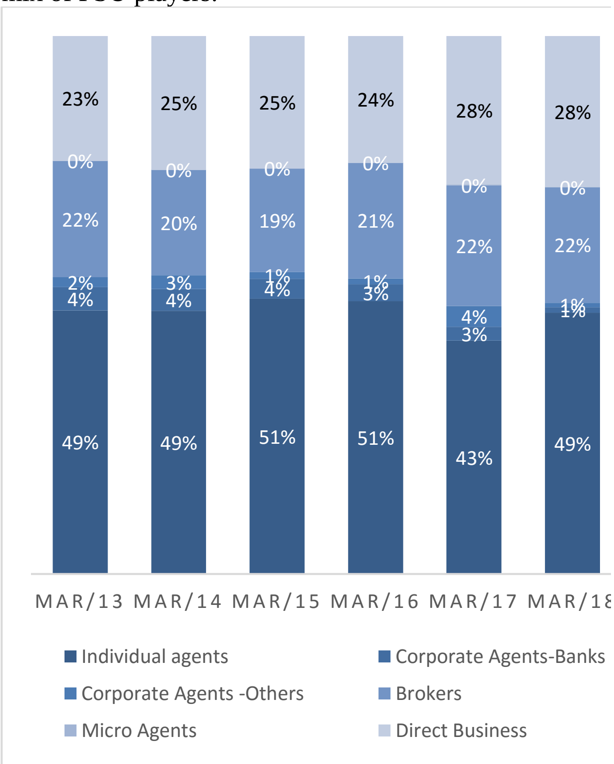
IRDAI has set rules for e-commerce of insurance products, and all existing players will also have to comply with the regulations (in three months). The key points to note:

- The regulator has beefed up audits for the e-commerce companies (financial and systems audit).
- Discounts, cashbacks, promotional activities will be regulated by IRDAI.
- The commissions of the intermediary selling through its website would be governed by the *"Payment of commission, remuneration or reward to insurance agents and insurance intermediaries Regulations, 2016.*

The following chart sets forth the channel distribution mix of select private players[8]:



The following chart sets forth the channel distribution mix of PSU players:



The following table sets forth the agent count per company:

Number of Agents	FY2018	FY2017	FY2016
Royal Sundaram	6,185	5,059	3,961
TATA-AIG	14,976	10,959	8,766

[8] *The private players channel mix considered here are the top 11 private players by GDPI, and they form approximately 94% of total private player GDPI in financial year 2017.*

Number of Agents	FY2018	FY2017	FY2016
Reliance General	27,888	24,552	20,562
IFFCO Tokio	22,652	24,035	20,722
ICICI Lombard	23,395	20,423	17,872
Bajaj Allianz	26,079	15,871	13,237
HDFC ERGO	11,975	8,509	7,427
HDFC General Insurance	-	2,117	1,912
Cholamandalam MS	9,004	9,133	7,341
Future Generali	6,298	5,938	5,534
Universal Sompo	2,742	2,486	2,187
Shriram General	10,033	3,237	1,812
Bharti AXA	5,355	4,119	3,246
Raheja Qbe	4	4	4
SBI General	9,378	8,768	7,805
Magma HDI	1,602	1,870	1,752
Liberty General	1,522	828	536
Kotak Mahindra	62	13	2
Acko General	-	-	-
Edelweiss General	-	-	-
DHFL General	3	-	-
Go Digit	34	-	-
Private Sector	**179,187**	**147,921**	**124,678**
New India	76,375	66,872	57,411
National	60,709	56,424	75,902
United India	68,643	54,873	54,873
Oriental	42,758	61,982	52,145
Public Sector	**248,485**	**240,151**	**240,331**
Total	**427,672**	**388,072**	**365,009**

Profitability

In the past, the underwriting losses of the PSU GI entities were absorbed by the investment income. However an aggressive jump in business in financial year 2016-18, resulted in higher claims ratio. The underwriting losses of the PSU were larger than the investment income, which resulted in sharp net losses in financial year 2017. Financial year 2018 saw an improvement in underwriting income of the PSU players, helped by re-negotiating the reinsurance contracts in the motor policies.

The following tables set forth the net investment income / Net Premium Earned ("**NPE**") of PSU players and select private players:

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	18.6%	17.7%	17.0%	14.7%	14.5%
United India	18.1%	17.1%	15.8%	12.5%	13.2%
National	14.0%	13.8%	13.1%	12.6%	13.5%
Oriental	17.6%	19.3%	16.9%	13.5%	13.6%
Combined PSU	**17.9%**	**17.4%**	**16.4%**	**13.1%**	**13.6%**
ICICI-Lombard	14.9%	17.3%	17.0%	14.9%	15.7%
Bajaj Allianz	16.3%	16.8%	17.1%	16.3%	14.8%
HDFC ERGO General	15.8%	17.5%	19.2%	17.0%	16.7%
IFFCO-Tokio	16.2%	16.1%	14.7%	12.8%	15.4%
Tata-AIG	13.7%	13.5%	12.9%	13.5%	12.3%
Reliance General	23.3%	21.5%	21.7%	22.7%	19.4%
Combined top private players	**16.0%**	**17.0%**	**17.1%**	**15.6%**	**15.6%**

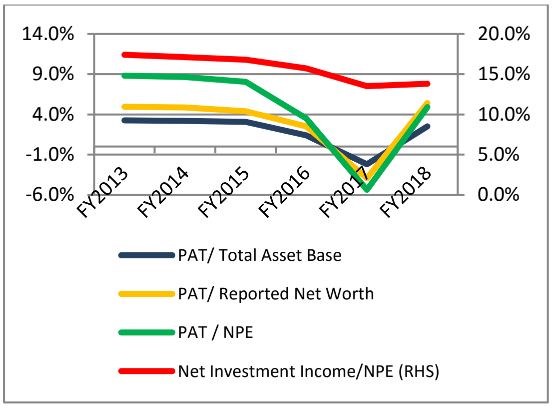
The following tables set forth the profitability of PSU players and select private players[9]:

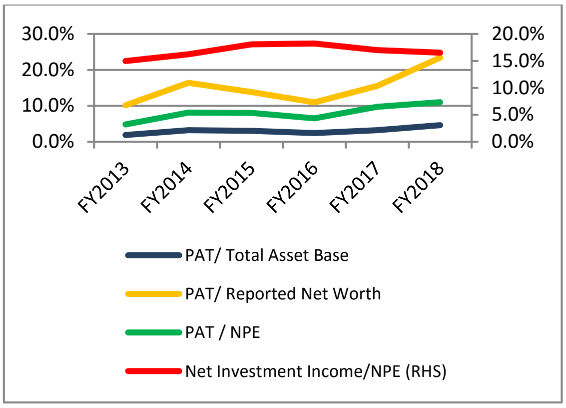
PSU	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
PAT/ Total Asset Base	3.3%	3.2%	3.1%	1.4%	-2.2%	2.5%
PAT/ Reported Net Worth	4.9%	4.9%	4.4%	2.5%	-3.9%	5.4%
PAT / NPE	8.8%	8.7%	8.0%	3.5%	-5.4%	4.9%
Net Investment Income/NPE	17.4%	17.1%	16.8%	15.7%	13.5%	13.8%

[9] *The select private players include the top 11 private players by GDPI, who also form 94% of total Private GDPI for financial year 2017*

Private	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
PAT/ Total Asset Base	1.9%	3.2%	3.0%	2.4%	3.2%	4.6%
PAT/ Reported Net Worth	10.1%	16.4%	13.8%	11.0%	15.5%	23.4%
PAT / NPE	4.8%	8.1%	8.0%	6.5%	9.7%	11.0%
Net Investment Income/NPE	15.0%	16.2%	18.1%	18.2%	17.0%	16.5%

The following charts set forth the profitability of PSU players and select private players[10]:



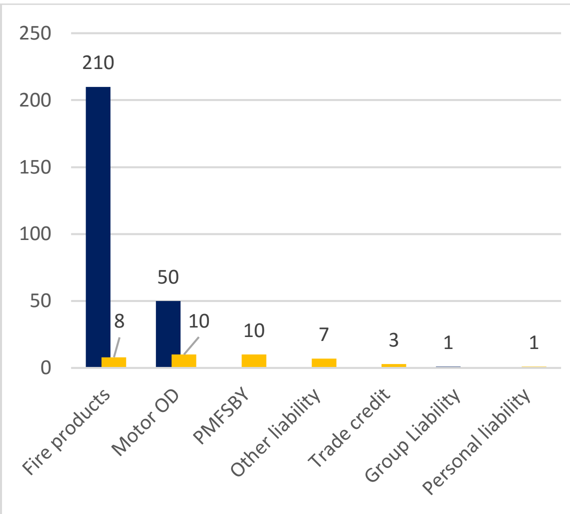


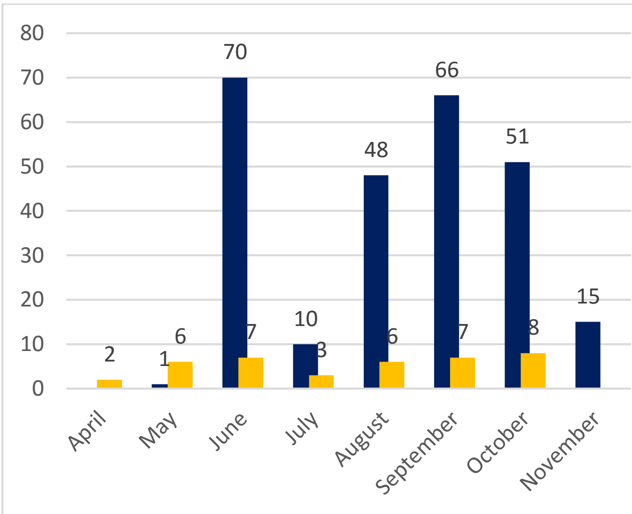
For the private players analyzed in the report, the decline in profitability witnessed between financial year 2014-16 was reversed in financial year 2017 and continued an upward trend in financial year 2018. Despite a marginal decline in the investment income yields, a better underwriting performance, along with a control in the operating expense has resulted in the ROE, and ROA improving in financial year 2018.

New products introduced in the financial year 2017

In financial year 2018 a total of 39 new products and 261 add-ons were introduced in the Indian GI industry. Of these around 15 products were introduced in the Mar-18 quarter. Of the new products introduced, around 10 were for Motor OD segment, and 11 products were for the fire and trade credit segments.

The following chart sets forth new production introductions (segment wise, month wise):





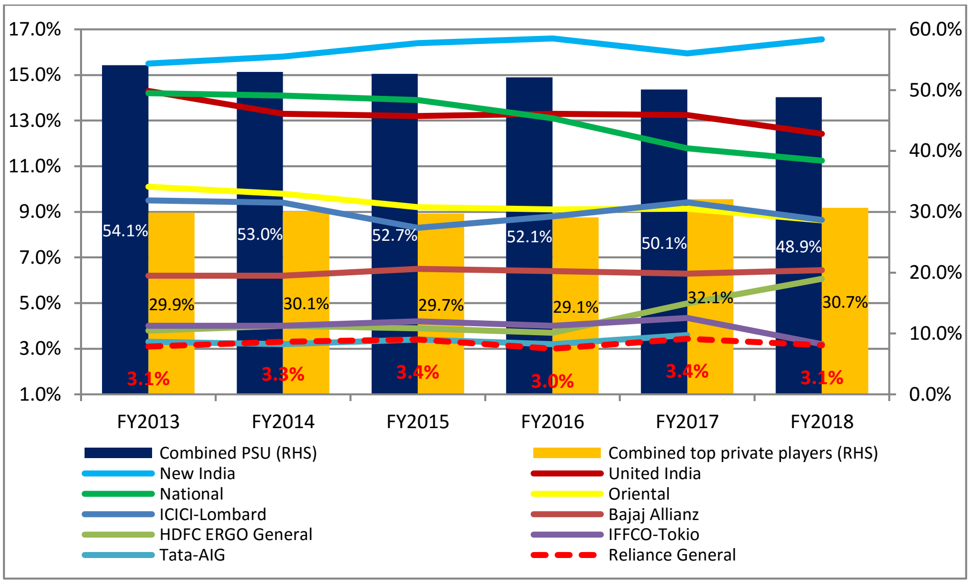
Performance of the top ten players

Market Share

[10] *The select private players include the top 11 private players by GDPI, who also form 94% of total Private GDPI for financial year 2017*

During the last five years, the competitive intensity in the GI industry went up sharply; the PSU GI's reluctantly ceded market share, but not before an aggressive pricing in certain large segments like motor and health. Of the ~400 bps of market share ceded during this period by the PSU GIs, ~ 200bps was gained by the top 6 private players. Going forward, ICRA expects the PSU GI to rationalize their pricing in certain segments like health, and motor TP, which would help them maintain profitability but will also force them to lose further market share. The private players who have strong banking tie-ups stand to gain the most in the process. The banking tie-ups help the GI to reduce cost, and leverage on the bank's presence. Correspondingly ICRA expects private players attached to large banks like ICICI, HDFC, and SBI to gain market share over the next 2 years.

The following chart sets forth market shares of the top 10 players:



The following table shows the total GDPI breakup (IRDAI):

GDPI (₹ crore)	HYFY2019	FY2018	FY2017	FY2016	HYFY2019	FY2018	FY2017	FY2016
Royal Sundaram	1,733	2,623	2,204	1,703	2.3%	1.9%	1.8%	1.9%
Tata-AIG	3,270	5,436	4,168	2,959	4.3%	3.8%	3.5%	3.2%
Reliance General	3,569	5,069	3,935	2,792	4.7%	3.6%	3.3%	3.0%
IFFCO-Tokio	3,478	5,632	5,564	3,691	4.6%	4.0%	4.7%	4.0%
ICICI-Lombard	7,305	12,357	10,725	8,091	9.7%	8.7%	9.0%	8.8%
Bajaj Allianz	5,126	9,445	7,633	5,832	6.8%	6.7%	6.4%	6.4%
HDFC ERGO	4,204	7,290	5,840	3,380	5.6%	5.2%	4.9%	3.7%
HDFC General Insurance Ltd	-	-	348	473	0.0%	0.0%	0.3%	0.5%
Cholamandalam MS	2,050	4,102	3,133	2,452	2.7%	2.9%	2.6%	2.7%
Future Generali	1,154	1,906	1,816	1,555	1.5%	1.3%	1.5%	1.7%
Universal Sompo	808	2,311	1,287	904	1.1%	1.6%	1.1%	1.0%
Shriram General	1,087	2,101	2,041	1,712	1.4%	1.5%	1.7%	1.9%
Bharti AXA	1,068	1,758	1,297	1,274	1.4%	1.2%	1.1%	1.4%
Raheja QBE	50	84	59	29	0.1%	0.1%	0.0%	0.0%
SBI General	2,064	3,544	2,604	2,040	2.7%	2.5%	2.2%	2.2%
Magma HDI	371	527	419	404	0.5%	0.4%	0.4%	0.4%
Liberty Videocon	522	817	585	409	0.7%	0.6%	0.5%	0.4%
Kotak Mahindra	122	185	82	4	0.2%	0.1%	0.1%	0.0%
Acko General	23	1	-	-	0.0%	0.0%	0.0%	0.0%
DHFL General	201	141	-	-	0.3%	0.1%	0.0%	0.0%
Go Digit	274	94	-	-	0.4%	0.1%	0.0%	0.0%
Edelweiss	30	1	-	-	0.0%	0.0%	0.0%	0.0%
Total Private	**38,508**	**65,424**	**53,742**	**39,703**	**51.1%**	**46.2%**	**45.0%**	**43.4%**
New India	11,762	22,696	19,098	15,150	15.6%	16.0%	16.0%	16.5%
National	6,916	16,339	14,001	11,976	9.2%	11.5%	11.7%	13.1%
United India	7,163	17,300	15,801	12,250	9.5%	12.2%	13.2%	13.4%

GDPI (₹ crore)	HYFY2019	FY2018	FY2017	FY2016	HYFY2019	FY2018	FY2017	FY2016
Oriental	6,520	11,450	10,798	8,314	8.7%	8.1%	9.1%	9.1%
Total Public sector	**32,361**	**67,785**	**59,698**	**47,690**	**42.9%**	**47.9%**	**50.0%**	**52.1%**
Total Public + Private	**70,870**	**133,209**	**113,440**	**87,394**	**94.1%**	**94.1%**	**95.1%**	**95.5%**
Star Health	2,088	4,145	2,962	2,007	2.8%	2.9%	2.5%	2.2%
Apollo Munich	795	1,718	1,302	1,022	1.1%	1.2%	1.1%	1.1%
Max Bupa	404	754	594	476	0.5%	0.5%	0.5%	0.5%
Religare	769	1,092	726	503	1.0%	0.8%	0.6%	0.5%
Cigna TTK	246	346	222	144	0.3%	0.2%	0.2%	0.2%
Aditya Birla	177	243	54	-	0.2%	0.2%	0.0%	0.0%
Total standalone health	**4,479**	**8,298**	**5,860**	**4,153**	**5.9%**	**5.9%**	**4.9%**	**4.5%**
ECGC (Export & Credit)	562	1,240	1,268	1,321				
AIC (Crop)	5,964	7,824	7,064	3,509				
Total specialized insurance	**6,525**	**9,065**	**8,332**	**4,830**				
Grand Total	**81,874**	**150,572**	**127,631**	**96,376**				

Operating Performance

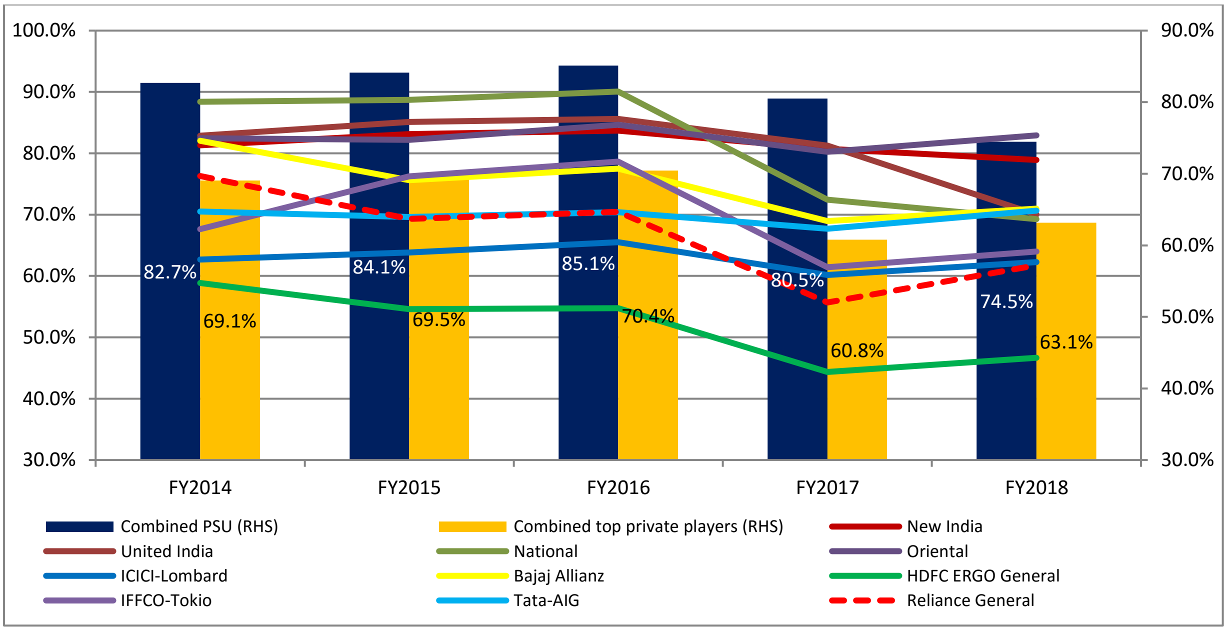
A healthy re-insurance industry helps mitigate concentration risks for GI players. IRDAI has been supportive of the entry of foreign players in the Indian re-insurance market, andhas granted 18 approvals to cross border re-insurers (in April 2017) which will help in more efficient pricing of re-insurance. Cross-border reinsurers are those who do not have a physical presence in India but carry on reinsurance business with Indian insurance companies. The retention ratios for PSU saw a drop in financial year 2018, while private player’s retention saw a marginal increase. The higher retention for the PSU was primarily due to the rapid growth of the crop insurance portfolio which traditionally has lower retention ratios. The trend where PSUs have a higher retention rate compared to private players continues in financial year 2017 and is a reason for higher underwriting losses experienced by PSUs. The higher retention ratios of the PSUs in health and motor segments, also results in higher underwriting loss witnessed due to a high loss ratio in these segments. With increasing incidence of catastrophic events, the retention ratios will assume greater importance as insurers attempt to contain losses on large exposures.

Net retention ratio

The following table sets forth the net retention ratio of the top 10 players:

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	81.3%	83.1%	83.7%	80.8%	78.9%
United India	82.9%	85.1%	85.6%	81.3%	70.0%
National	88.4%	88.7%	90.1%	72.5%	69.3%
Oriental	82.5%	82.2%	84.6%	80.2%	82.9%
Combined PSU	**82.7%**	**84.1%**	**85.1%**	**80.5%**	**74.5%**
ICICI-Lombard	62.7%	63.8%	65.5%	60.2%	62.3%
Bajaj Allianz	82.0%	75.6%	77.5%	69.0%	71.0%
HDFC ERGO General	58.9%	54.6%	54.8%	43.8%	46.7%
IFFCO-Tokio	67.6%	76.3%	78.6%	61.4%	64.0%
Tata-AIG	70.5%	69.6%	70.4%	67.7%	70.7%
Reliance General	76.3%	69.3%	70.5%	55.7%	61.8%
Combined top private players	**69.1%**	**69.5%**	**70.4%**	**60.8%**	**63.1%**

The following chart sets forth the net retention ratio of the top 10 players:



In financial year 2018 the combined ratio for PSUs had improved primarily due to IRDAI disposition for reserving IBNR shortfall over three years, helped, by a decline in claims ratio, and lower expense ratio. Top private players combined ratio reduced in financial year 2018, with lower underwriting losses in financial year 2018. ICRA believes the combined ratio of private players will continue to improve, as pricing in motor and health insurance rationalise. PSUs are now in a capital conservation mode, and this should further help in reducing the expense ratio as operations become more efficient. PSUs will also benefit from rationalising prices, which could result in loss of market share but will help in improving the loss ratios.

The cumulative net loss ratio (or net claims ratio) for the combined sector (PSUs + top private players) had improved in financial year 2018. The improvement was primarily due to an improvement in the PSU's combined ratio. PSUs had a higher net loss ratio compared to the top private players. For PSUs the loss ratios in the Motor-TP, and Health sector are high. Competitive pricing, and low profitable government health schemes has resulted in lower participation by the private players here. The lower participation has also resulted in the private players containing the risk in these segments compared to PSUs. Loss ratios on the motor TP segment could reduce with a faster resolution as proposed in the Motor Vehicles Amendment Act. In addition GIC (General Insurance Council) and a third party risk solutions company have collaborated to set-up a central repository for insurance frauds, this would greatly result in a reduction in the frauds in health insurance products.

The Crop segment had seen a rapid increase in financial year 2017, but growth tapered in financial year 2018, however the loss ratio for the segment is low due to lower retention. The loss ratio in the crop segment can be expected to remain contained, due to a large proportion of the premiums being re-insured.

Claims ratio / Expense Ratio

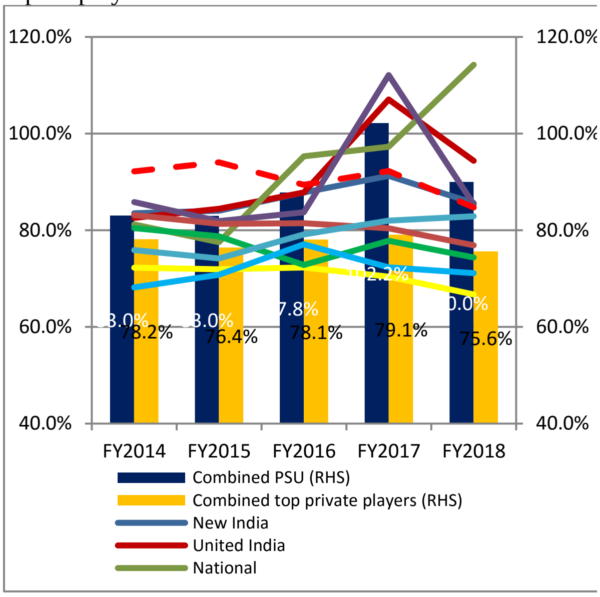
The following table sets forth the claims ratio of the top 10 players:

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	83.5%	84.0%	87.8%	91.3%	85.7%
United India	82.6%	84.4%	87.8%	107.1%	94.4%
National	81.2%	77.5%	95.3%	97.3%	114.2%
Oriental	85.8%	81.9%	83.7%	112.1%	85.4%
Combined PSU	**83.0%**	**83.0%**	**87.8%**	**102.2%**	**90.0%**
ICICI-Lombard	83.1%	81.3%	81.5%	80.4%	76.9%
Bajaj Allianz	72.2%	71.9%	72.3%	70.4%	66.7%
HDFC ERGO General	80.4%	78.7%	72.8%	76.2%	74.4%
IFFCO-Tokio	75.9%	74.2%	79.1%	82.0%	82.9%
Tata-AIG	68.2%	70.8%	77.1%	72.3%	71.1%
Reliance General	92.2%	94.0%	89.4%	92.2%	84.7%
Combined top private players	**78.2%**	**76.4%**	**78.1%**	**78.3%**	**75.6%**

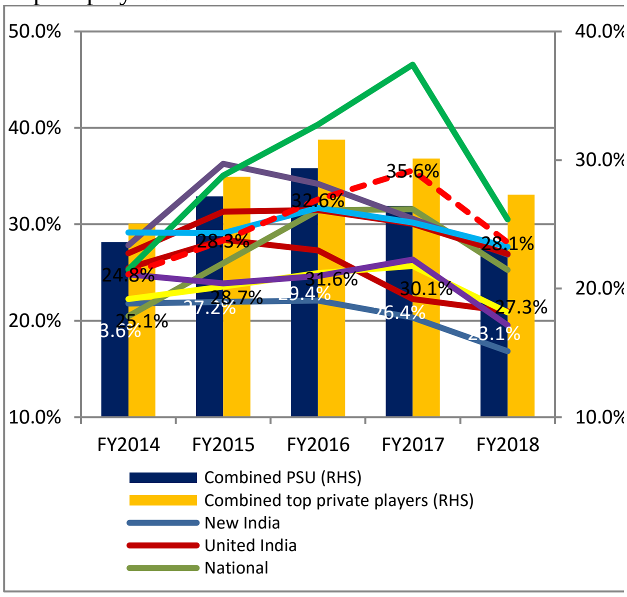
The following table sets forth the expense ratio of the top 10 players:

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	21.8%	22.0%	22.1%	20.3%	16.8%
United India	25.5%	28.4%	27.3%	22.2%	21.0%
National	20.5%	26.0%	31.4%	31.6%	25.3%
Oriental	27.8%	36.3%	34.2%	30.6%	26.9%
Combined PSU	**23.6%**	**27.2%**	**29.4%**	**26.4%**	**23.1%**
ICICI-Lombard	27.0%	31.3%	31.5%	30.1%	26.9%
Bajaj Allianz	22.2%	23.5%	24.9%	25.7%	20.9%
HDFC ERGO General	25.3%	35.0%	40.3%	38.7%	30.5%
IFFCO-Tokio	24.8%	23.9%	24.6%	26.3%	19.5%
Tata-AIG	29.1%	29.1%	31.7%	30.2%	27.7%
Reliance General	24.8%	28.3%	32.6%	35.6%	28.1%
Combined top private players	**25.1%**	**28.7%**	**31.6%**	**30.1%**	**27.3%**

The following chart sets forth the claims ratio of the top 10 players:



The following chart sets forth the expense ratio of the top 10 players:

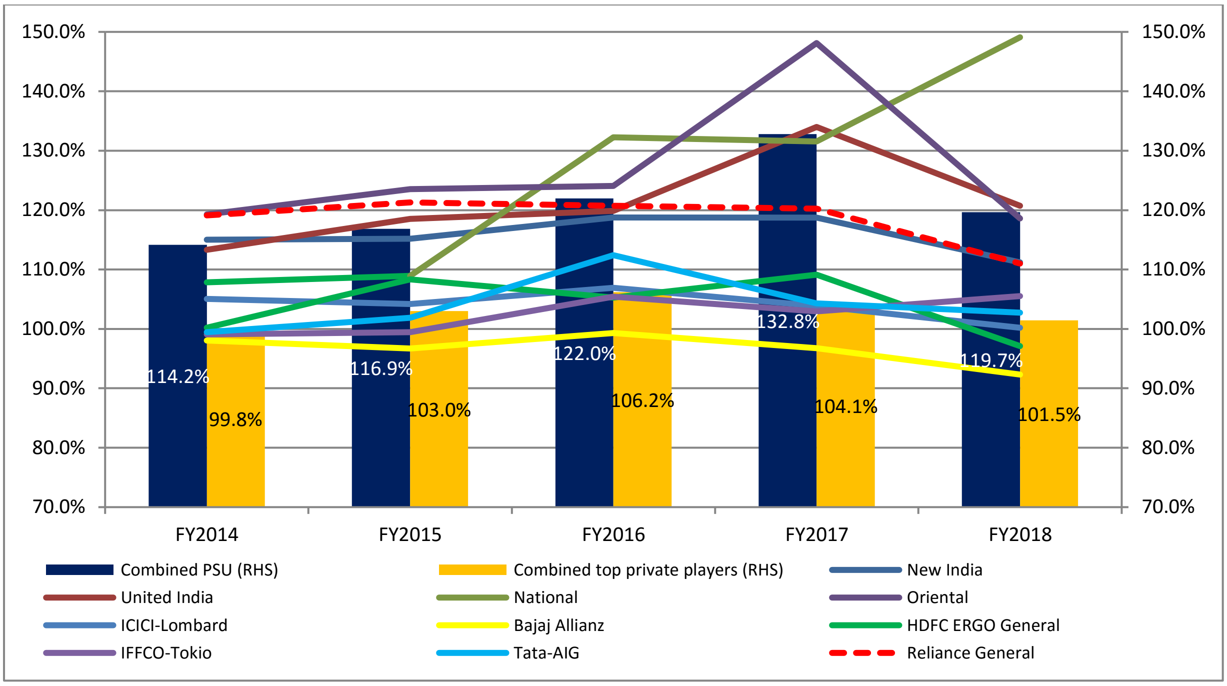


Combined ratio

The following table sets forth the combined ratio of the top 10 players:

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	115.0%	115.2%	118.8%	118.7%	111.2%
United India	113.3%	118.5%	119.9%	134.0%	120.7%
National	107.8%	108.9%	132.3%	131.6%	149.1%
Oriental	119.3%	123.5%	124.0%	148.1%	118.6%
Combined PSU	**114.2%**	**116.9%**	**122.0%**	**132.8%**	**119.7%**
ICICI-Lombard	105.0%	104.2%	106.9%	103.9%	100.2%
Bajaj Allianz	98.1%	96.7%	99.3%	96.8%	92.3%
HDFC ERGO General	100.2%	108.3%	105.3%	100.7%	97.1%
IFFCO-Tokio	99.1%	99.4%	105.4%	102.9%	105.5%
Tata-AIG	99.5%	101.9%	112.4%	104.3%	102.7%
Reliance General	119.1%	121.3%	120.7%	120.2%	111.0%
Combined top private players	**99.8%**	**103.0%**	**106.2%**	**103.4%**	**101.5%**

The following chart sets forth the combined ratio of the top 10 players:



The following table sets forth the underwriting surplus/(losses) of the top 10 players (in ₹ crore):

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	(1,951)	(2,216)	(3,100)	(3,547)	(2,524)
United India	(1,224)	(1,807)	(2,216)	(4,445)	(2,542)
National	(878)	(1,037)	(3,624)	(3,324)	(5,600)
Oriental	(1,290)	(1,532)	(1,899)	(4,336)	(1,923)
Combined PSU	**(5,343)**	**(6,592)**	**(10,839)**	**(15,652)**	**(12,590)**
ICICI-Lombard	(251)	(221)	(490)	(339)	(231)
Bajaj Allianz	(1)	83	(65)	64	293
HDFC ERGO General	(39)	(170)	(151)	(88)	(18)
IFFCO-Tokio	2	(69)	(193)	(93)	(273)
Tata-AIG	(9)	(84)	(297)	(265)	(282)
Reliance General	(366)	(406)	(421)	(463)	(395)
Combined top private players	**(666)**	**(867)**	**(1,617)**	**(1,183)**	**(907)**

In the past, the increasing underwriting losses of PSUs were adequately cushioned by their investment earnings.However in financial year 2017, the underwriting losses of the PSU players exceeded the investment income, which resulted in sharp net losses.In financial year 2018 the underwriting losses for PSU were lower compared to financial year 2018 primarily due to dispensation provided by IRDAI which resulted in the spreading of IBNR reserves over three years. The top private players continued to demonstrate better underwriting performance with underwriting losses standing much lower. During financial year 2018, investment income had declined at a sharp pace for the PSUs due to a fall in yield across its debt portfolio, partly buffered by marginal gain on investment portfolio sold. Top private players' investment portfolio had a decline, as they booked gains on their portfolio to stem the lower yields.

With profitability remaining weak for many smaller players, some consolidation may be expected in the space (especially with the PSU players). Generally, insurers take over a decade to start generating net profits; however, there are still a number of players with longer periods of operations that are far from achieving a positive bottom-line.

Capital raising

The equity issuance by the PSU general insurance companies was minimal in the last five years (approximately ₹50 crore), although the solvency ratio of the sector is low. Any large capital infusion by the government into the entities is not to be expected. There is a possibility of issuance of subordinated debt by some of the PSU general insurance companies to shore up their solvency ratio. The top private players are established players in general insurance and have been generating profits to fuel the business growth. In addition they have also raised approximately ₹1,243 crore of subordinated debt in the financial year 2017, to help the growth in the business. Private players are expected to increasingly raise subordinated debt to grow the business in the financial year 2018.

Profitability parameters

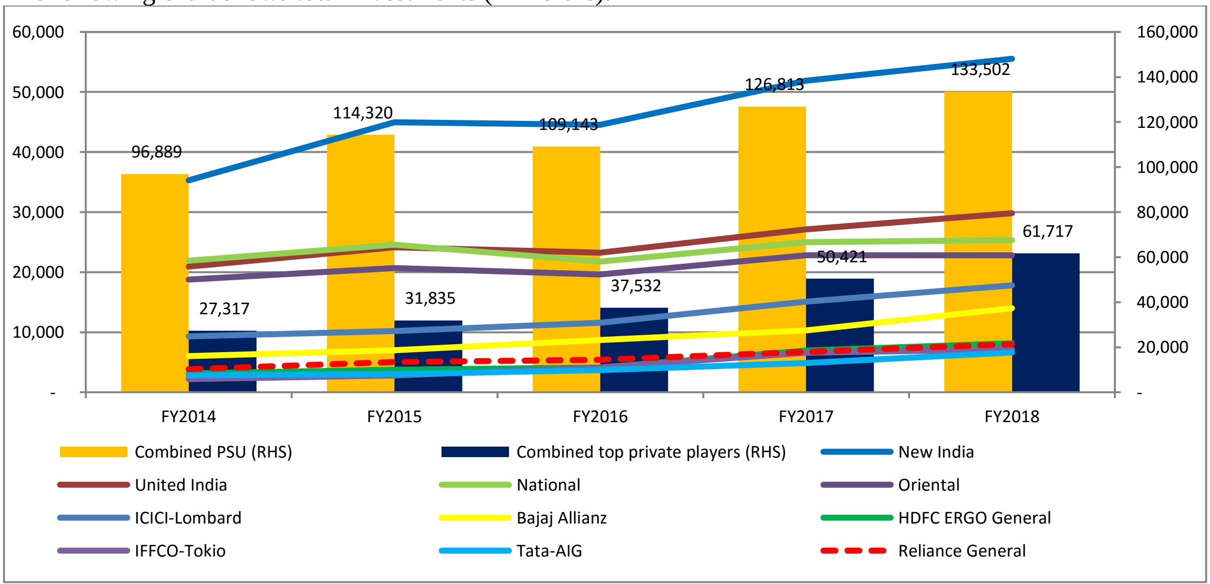
Due to high underwriting losses, and a declining investment income, the PSU GIs have reported a combined net loss for financial year 2017.However in financial year 2018, the PSU GU were able to post profits due to investment gains, and lower underwriting losses. The top private players have fared better due to improving loss ratio's, a controlled expense profile, and for some players support of the large banking partner. ICRA expects a marginal improvement in the PSU GI portfolio, as they rationalize on the pricing for health and motor products, and have better expense management before listing for a public issuance. ICRA also expects the top private players to show a continued improvement in the operating metrics, and lower loss ratios. Apart from Bajaj Allianz General Insurance, none of the GI players have been able to post a underwriting profit.

The following charts set forth certain industry ratios:

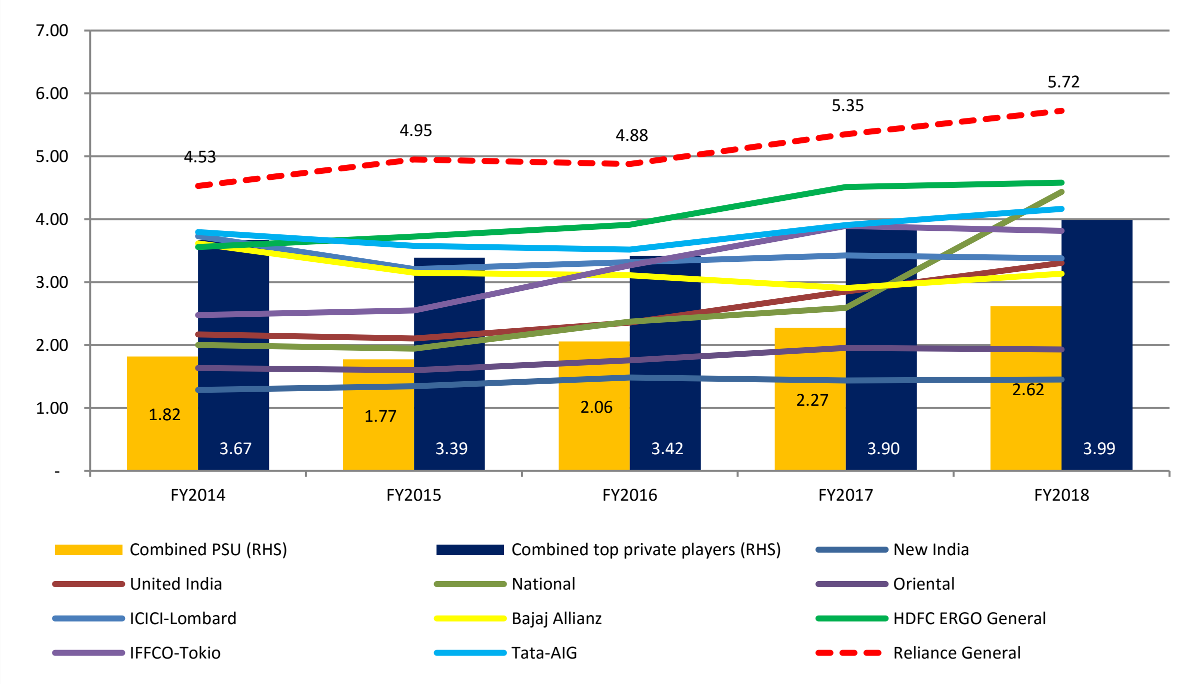
	Return on Equity					Return on Assets				
PSU	**financial year 2014**	**financial year 2015**	**financial year 2016**	**financial year 2017**	**financial year 2018**	**financial year 2014**	**financial year 2015**	**financial year 2016**	**financial year 2017**	**financial year 2018**
New India	4.0%	4.3%	2.8%	2.8%	5.7%	3.4%	3.9%	2.0%	2.3%	4.5%
United India	5.5%	2.6%	2.2%	-20.1%	11.1%	2.6%	1.4%	1.0%	-7.4%	3.4%
National	7.5%	7.7%	1.6%	0.5%	-38.0%	4.6%	4.7%	0.6%	0.2%	-7.6%
Oriental	4.0%	3.0%	2.7%	-14.5%	12.8%	3.2%	2.5%	1.8%	-9.6%	7.7%
Combined PSU	**4.7%**	**3.7%**	**2.5%**	**-7.0%**	**8.4%**	**3.3%**	**3.2%**	**1.4%**	**-3.6%**	**3.9%**
ICICI-Lombard	20.5%	16.8%	14.6%	15.9%	16.4%	4.2%	4.2%	3.7%	3.8%	3.4%
Bajaj Allianz	24.6%	25.3%	20.2%	20.6%	20.6%	6.0%	7.0%	6.0%	6.5%	6.4%
HDFC ERGO General	22.1%	10.3%	14.4%	14.9%	22.7%	5.6%	2.5%	3.3%	4.2%	4.4%
IFFCO-Tokio	24.4%	18.9%	13.3%	25.3%	10.1%	5.6%	4.5%	3.2%	6.8%	2.4%
Tata-AIG	21.9%	18.2%	1.9%	9.5%	9.9%	5.3%	4.5%	0.5%	2.4%	2.3%
Reliance General	7.6%	8.0%	9.0%	10.4%	11.8%	1.4%	1.6%	1.7%	1.9%	2.0%
Combined top private players	**22.0%**	**17.5%**	**13.8%**	**15.4%**	**14.1%**	**5.4%**	**4.3%**	**3.3%**	**4.0%**	**2.9%**

Investment mix

The following chart shows total investments (in ₹ crore):



The following chart shows total investments/total reported networth (times):



A healthy investment book is a prerequisite for a general insurance company, to maintain the firm's liquidity requirements and supplement the underwriting performance. The total investments for the top 10 players had increased at a CAGR of 12% over financial year 2014 to financial year 2018. The growth rate was faster for the select private players (CAGR growth of 23% over financial year 2014 to financial year 2018), compared to the PSU players whose investment book had grown 8% in the past five years.

The total investment / total networth ratio was declining between financial year 2013-financial year 2015 for both PSU and select private players, but has improved in the last two years. The investment leverage is higher for select private players compared to PSU insurers, but it should be noted that PSU insurers have a higher quantum of FVA (Fair value gain on its equity investments).

Reserving trend

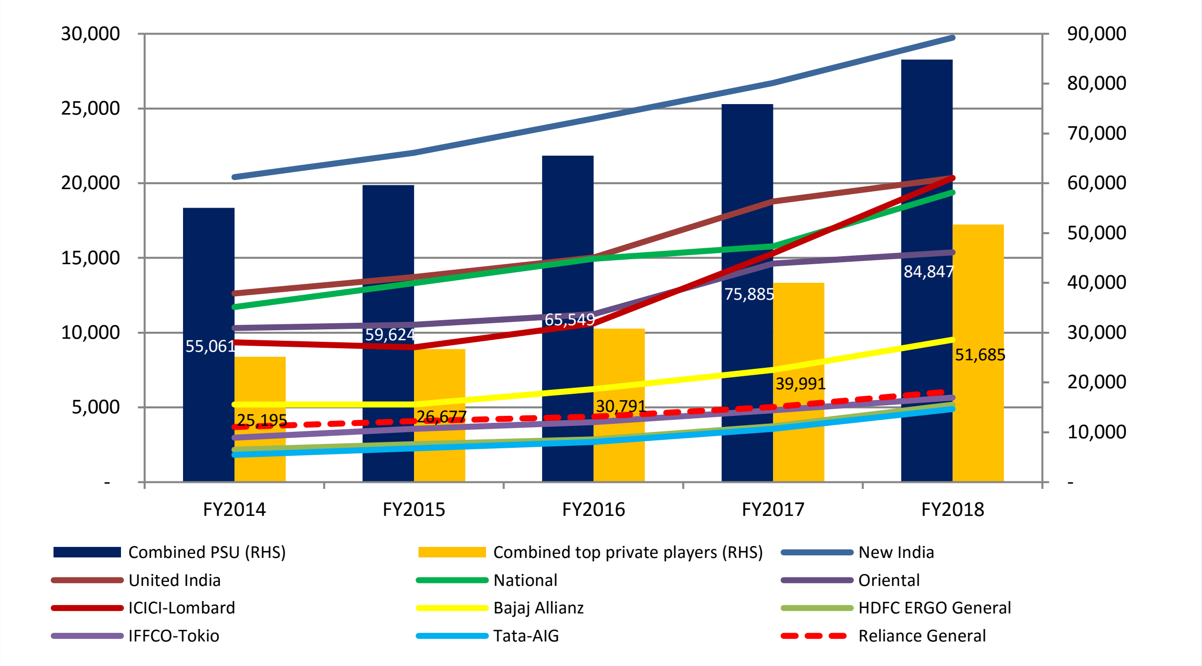
The PSU general insurance companies have a higher technical reserve amount set aside, this is in relation to the business underwritten by the general insurance companies. As the PSU GIs have a high proportion of motor-TP business, they have to set aside higher reserves. Motor TP liability takes three to four years for a claim to resolve, and as the liability at present is unlimited, the corresponding reserves have to be higher. One PSU general insurance company was penalized by the regulator to under-reserve for the motor TP pool in the financial year 2017. The private players have higher IBNR reserves when compared to the PSU players, despite having a lower proportion of Motor-TP business. This indicates the private players are better reserved when compared to the PSU. The total technical reserve set aside by both PSU and private players was approximately 1.4 times the business underwritten in the financial year 2017.

The following table sets forth the technical reserves(in ₹ crore):

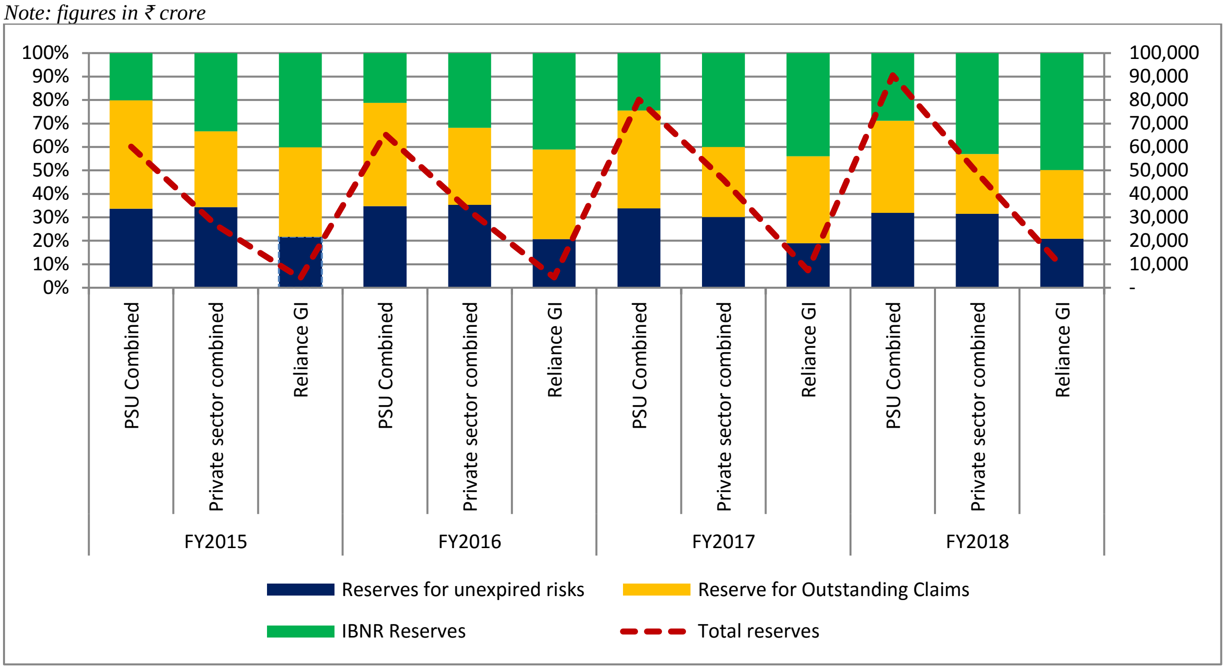
PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	20,410	22,049	24,338	26,700	29,740
United India	12,624	13,717	15,032	18,780	20,349
National	11,717	13,319	14,936	15,777	19,384
Oriental	10,311	10,540	11,243	14,627	15,374
Combined PSU	**55,061**	**59,624**	**65,549**	**75,885**	**84,847**
ICICI-Lombard	9,345	9,023	10,614	15,310	20,354
Bajaj Allianz	5,196	5,196	6,225	7,520	9,527
HDFC ERGO General	2,167	2,531	2,857	3,745	5,181
IFFCO-Tokio	2,976	3,573	4,014	4,815	5,655
Tata-AIG	1,824	2,266	2,694	3,577	4,888
Reliance General	3,687	4,088	4,387	5,024	6,080

Combined top private players	25,195	26,677	30,791	39,991	51,685

The following charts set forth the technical reserves:



Note: figures in ₹ crore



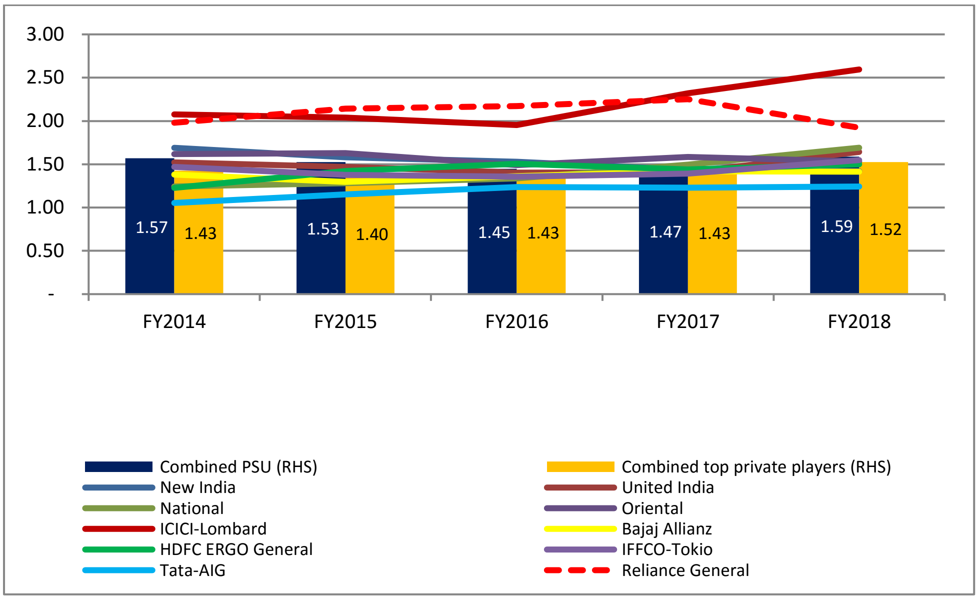
Note: figures in ₹crore

The following table sets forth technical reserves over NPW:

PSU	FY2014	FY2015	FY2016	FY2017	FY2018
New India	1.69	1.58	1.53	1.44	1.42
United India	1.52	1.47	1.40	1.41	1.64
National	1.24	1.28	1.34	1.49	1.69
Oriental	1.62	1.63	1.49	1.59	1.53
Combined PSU	**1.57**	**1.53**	**1.45**	**1.47**	**1.59**
ICICI-Lombard	2.08	2.04	1.95	2.32	2.59
Bajaj Allianz	1.38	1.30	1.36	1.42	1.42
HDFC ERGO General	1.23	1.42	1.51	1.44	1.50

IFFCO-Tokio	1.47	1.38	1.36	1.39	1.55
Tata-AIG	1.05	1.15	1.24	1.23	1.24
Reliance General	1.98	2.14	2.17	2.25	1.92
Combined top private players	**1.43**	**1.40**	**1.43**	**1.43**	**1.52**

The following chart sets forth technical reserves over NPW:



Grievance Redressal

Private sector players are working towards a reduction in complaints, and also a faster redressal for complaints received. With insurance products being commoditized, service levels will likely be a key differential for insurers. This should entail players to improve upon the grievance redressal parameters.

The following table sets forth the total number of policy complaints (current year) per 10,000 policies (current year):

Total no. of policy complaints (current year) per 10,000 policies (current year)	Financial Year 2016	Financial Year 2017	Financial Year 2018	Number of claims (2018)
ICICI-Lombard	2.31	1.33	0.81	1,517,312
Bajaj Allianz	2.00	-	0.34	1,205,421
HDFC ERGO General	2.07	2.30	0.49	549,640
IFFCO-Tokio	0.92	0.31	0.09	195,084
Tata-AIG	13.77	2.77	0.81	728,160
Reliance General	0.75	0.59	0.11	1,438,141
United India	1.07	1.51	1.37	2,207,377
National	1.09	0.35	0.35	3,254,165

Claims Settlement Performance

The following table sets forth the outstanding claims:

Entities	FY2016			FY2017			FY2018		
	Outstanding claims	< 3 months	> 1 year	Outstanding claims	< 3 months	> 1 year	Outstanding claims	< 3 months	> 1 year
New India	391,764	23%	66%	304,361	40%	44%	284,005	40%	44%
United India	463,780	48%	36%	579,427	64%	24%	1,685,180	34%	9%
National	288,852	27%	46%	418,580	48%	25%	492,990	64%	36%
Oriental	275,436	39%	41%	263,648	40%	38%	242,235	16%	11%
Combined PSU	**1,419,832**	**33%**	**43%**	**1,566,016**	**44%**	**31%**	**2,704,410**	**37%**	**23%**

Entities	FY2016			FY2017			FY2018		
	Outstanding claims	< 3 months	> 1 year	Outstanding claims	< 3 months	> 1 year	Outstanding claims	< 3 months	> 1 year
ICICI-Lombard	182,927	62%	26%	212,425	68%	23%	168,029	60%	29%
Bajaj Allianz	78,635	26%	57%	96,093	29%	55%	10	32%	51%
HDFC ERGO General	36,488	42%	38%	43,023	45%	37%	52,186	46%	36%
IFFCO-Tokio	85,553	45%	31%	147,187	41%	20%	91,395	32%	46%
Tata-AIG	61,235	57%	18%	35,114	46%	33%	39,047	48%	30%
Reliance General	214,347	63%	29%	135,712	53%	39%	262,507	72%	23%
Combined top private players	**659,185**	**51%**	**30%**	**669,554**	**46%**	**35%**	**613,174**	**47%**	**33%**

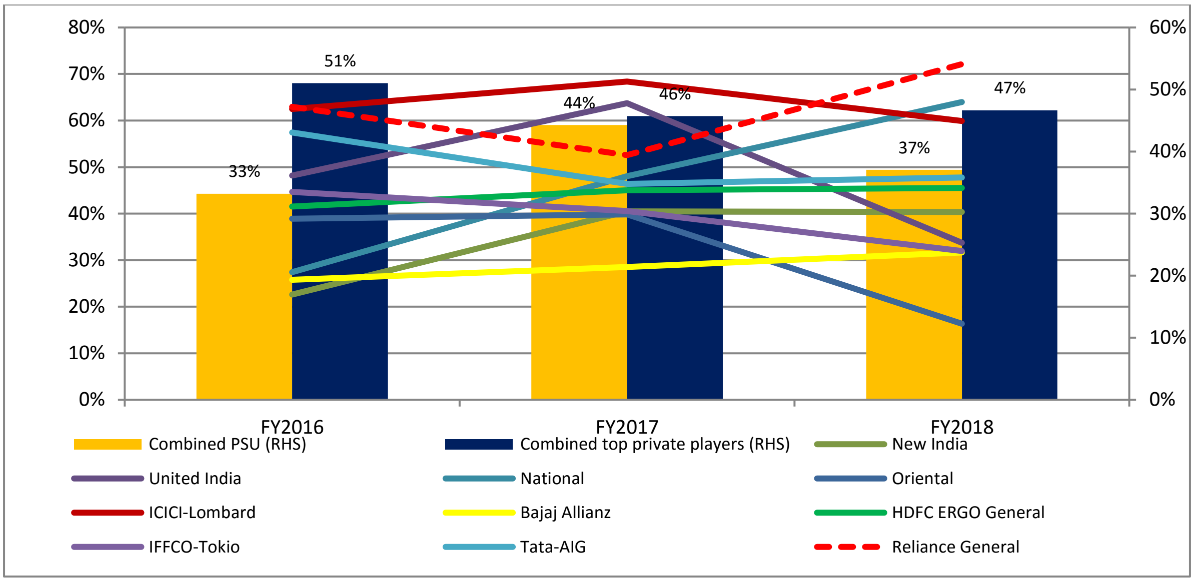
The outstanding claims for the top 10 players had seen an increase over the past two years. However, the PSU players had the bulk of outstanding claims, and had seen an increase over the past two years. The select private players had seen a marginal decline in the claims outstanding in financial year 2018.

The claim settlement time had seen an improvement too as indicated in the chart below. The claims outstanding greater than 1 year (total claims outstanding greater than 1 year / total claims outstanding) tenor has seen a gradual improvement (especially for the PSU players), while you saw a higher proportion of the claims outstanding in the less than 3 month window (total claims outstanding less than 3 months / total claims outstanding). As insurance becomes commoditised, the service and claim settlement turn-around time will become a key selling point, and is bound to improve further.

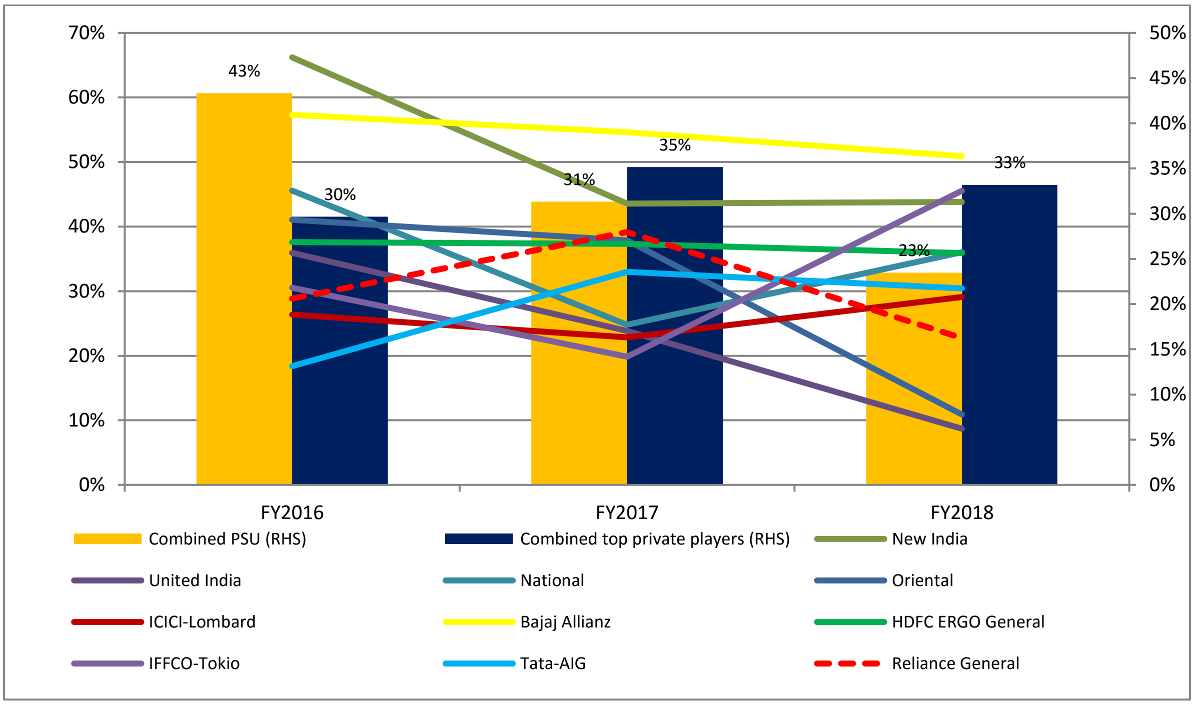
The following table sets forth the claim settlement time:

PSU	Financial year 2018			Financial year 2017		
	Total number of claims paid	1 month	> 1 year	Total number of claims paid	1 month	> 1 year
New India	4,809,447	69.6%	2.2%	3,959,837	77.7%	2.0%
United India	6,879,518	43.9%	1.1%	3,527,737	77.0%	1.7%
National	3,179,755	70.2%	2.0%	2,604,578	62.8%	3.2%
Oriental	1,616,979	41.3%	5.0%	1,569,477	38.6%	4.4%
Combined PSU	**16,485,699**	**56.2%**	**2.0%**	**11,661,629**	**68.9%**	**2.5%**
Private						
ICICI-Lombard	1,376,001	92.0%	0.8%	1,849,307	94.4%	0.7%
Bajaj Allianz	1,111,689	81.0%	1.2%	893,836	82.1%	1.6%
HDFC ERGO General	400,170	79.5%	1.0%	60,053	72.6%	1.2%
IFFCO-Tokio	831,351	45.3%	7.3%	857,929	42.0%	2.0%
Tata-AIG	645,272	66.5%	0.8%	435,772	79.7%	1.3%
Reliance General	1,206,718	94.1%	1.3%	462,662	86.0%	3.5%
Combined top private players	**5,571,201**	**79.4%**	**2.0%**	**4,559,559**	**79.6%**	**1.5%**

The following chart sets forth the total claims outstanding greater than 1 year / total claims outstanding:



The following chart sets forth the total claims less than three months / total claims outstanding:



Claims Settlement Ratio

	Financial year 2018			Financial year 2017			Financial year 2016		
PSU	**Claims settled during the year**	**Claims reported during the year**	**Claim settlement ratio**	**Claims settled during the year**	**Claims reported during the year**	**Claim settlement ratio**	**Claims settled during the year**	**Claims reported during the year**	**Claim settlement ratio**
New India	3,182,454	3,289,947	97%	3,971,063	4,007,190	99%	2,531,019	2,713,762	93%
United India	6,879,518	6,656,816	103%	4,010,645	4,029,542	100%	2,542,933	2,998,792	85%
National	2,991,735	3,254,165	92%	2,832,613	2,962,341	96%	1,184,600	1,330,225	89%
Oriental	1,626,800	1,583,190	103%	1,665,536	1,655,719	101%	1,264,053	1,264,787	100%
Combined PSU	**14,680,507**	**14,784,118**	**99%**	**12,479,857**	**12,654,792**	**99%**	**7,522,605**	**8,307,566**	**91%**
Private									
ICICI-Lombard	1,417,918	1,563,296	91%	2,175,890	2,205,388	99%	1,444,973	1,614,587	89%
Bajaj Allianz	1,111,689	1,201,024	93%	1,002,358	941,912	106%	704,211	784,411	90%
HDFC ERGO	400,170	443,265	90%	356,179	362,714	98%	41,508	48,281	86%

	Financial year 2018			Financial year 2017			Financial year 2016		
PSU	**Claims settled during the year**	**Claims reported during the year**	**Claim settlement ratio**	**Claims settled during the year**	**Claims reported during the year**	**Claim settlement ratio**	**Claims settled during the year**	**Claims reported during the year**	**Claim settlement ratio**
General									
IFFCO-Tokio	1,957,365	1,933,059	101%	875,631	906,624	97%	1,462,376	1,544,474	95%
Tata-AIG	645,272	728,160	89%	521,255	495,134	105%	436,836	548,639	80%
Reliance General	1,206,718	1,438,141	84%	462,662	447,541	103%	730,635	915,470	80%
Combined top private players (RHS)	**6,739,132**	**7,306,945**	**92%**	**5,393,975**	**5,359,313**	**101%**	**4,820,539**	**5,455,862**	**88%**

Outlook for the Industry

The Indian general insurance GWP (excluding standalone health entities, and specialized insurers) is expected to grow at a CAGR of 15% from financial year 2018 to financial year 2023. The total GDPI for the financial year 2019 is estimated to increase to ₹170,422 crore, and further to ₹298,995 crore. The assumptions we have factored in:

- Improvement in the insurance penetration to ~1.03% (in financial year 2023) from the current penetration of 0.9%. A higher insurance education and reforms by the government (especially in healthcare, and motor vehicles) will aid in the increased penetration. For comparison the average insurance penetration in Asia is 1.5% (in the financial year 2016).

- Improvement in insurance density to USD 30 per capita by 2023 from the current rate of USD 15.7 per capita. A higher GDP will entail in increase in GI spending per capita to safeguard assets. For comparison the average insurance density in Asia is USD 371 per capita (for the financial year 2016)

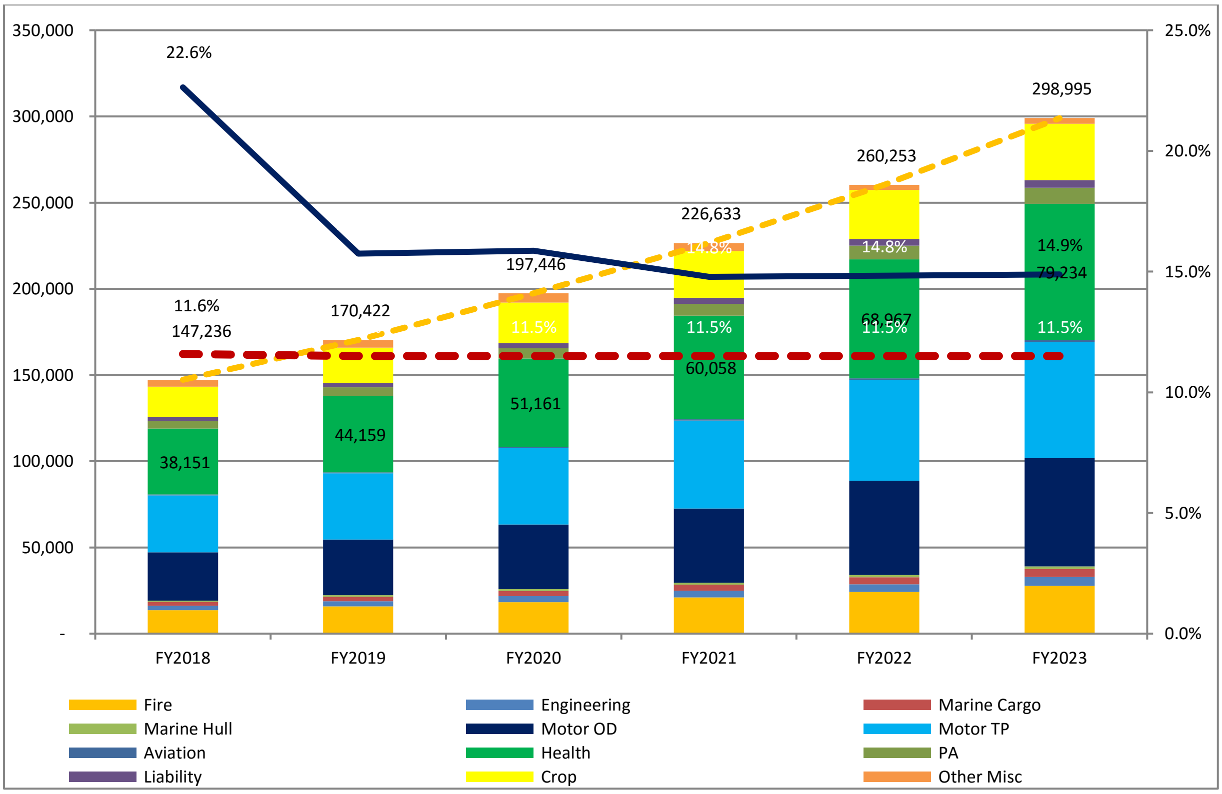
The following table sets forth the estimates until 2023:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
GDPI (in ₹ crore)	147,236	170,422	197,446	226,633	260,253	298,995
Population(in crore)	131.6	133.3	135.0	136.8	138.6	140.4
Nominal GDP (in ₹ crore)	16,773,145	18,702,057	20,852,793	23,250,864	25,924,714	8,906,056
GI density (premium per capita)	1,118.8	1,278.4	1,462.1	1,656.7	1,878.0	2,129.9
GI penetration % (premium / GDP)	0.88%	0.91%	0.95%	0.97%	1.00%	1.03%

The following table sets forth the GWP estimates(in ₹ crore):

Segment projections	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Fire	13,648	15,797	18,302	21,007	24,123	27,714
Engineering	2,515	2,911	3,373	3,871	4,446	5,107
Marine Cargo	2,328	2,694	3,121	3,583	4,114	4,727
Marine Hull	754	873	1,012	1,161	1,333	1,532
Motor OD	27,916	32,313	37,436	42,971	54,653	62,789
Motor TP	33,107	38,321	44,397	50,961	58,520	67,232
Aviation	550	636	737	846	972	1,117
Health	38,151	44,159	51,161	60,058	68,967	79,234
PA	4,478	5,183	6,005	6,893	7,915	9,093
Liability	2,245	2,598	3,010	3,455	3,967	4,558
Crop	17,559	20,324	23,547	27,028	28,368	32,590
Other Misc	3,985	4,612	5,344	4,759	2,863	3,289
Total	**147,236**	**170,422**	**197,446**	**226,633**	**260,253**	**298,995**

The following chart sets forth the GWP estimates:



Outlook for the fire insurance segment**:** The fire segment is expected to increase in-line with the previous years. Pricing pressure on the corporate portfolio will remain intense, but the retail fire portfolio should have a better performance. The GWP is expected in the fire segment to increase to ₹ 15,700crore (GDPI of ~ Rs 13,197 crore)in financial year 2019 while loss ratios are expected to remain elevated.

Outlook for the motor insurance segment**:** The GWP in Motor-OD segment is expected to increase to ₹ 32,300crore (GDPI of ~₹ 29,300 crore) in financial year 2019. The CAGR projected growth for the Motor OD segment is 17.6% from financial year 2018 to 2023, while the projected CAGR for growth in new vehicles is 10.6% for the same period. The Motor-TP portfolio should also benefit from a faster resolution process under the Motor Vehicles Amendment act 2016.

Outlook for the health insurance segment**:** The health segment is expected to increase to GDPI to ₹ 44,100crore in financial year 2019 (excluding specialized health). ICRA expects the health portfolio to increase at a CAGR of 15.7% for the next five years from financial year 2018 to 2023, while the estimated number of people in coverage would increase by 17%. The health portfolio should benefit by an easing of aggressive pricing by PSU companies, as they focus to improving their profitability ahead of their IPOs.

Outlook for the crop insurance segment**:** The Crop segment is expected to increase GDPI to ₹20,300 crore in the financial year 2019. Higher participation by the PSU players, and better prepared private players should help the segment.

OUR BUSINESS

In order to obtain a complete understanding of our business, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 21, 102 and 323, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.

The industry-related information contained in this section is derived from the ICRA Report.We commissioned the ICRA Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither our Company, nor any other person connected with the Offer, including the GCBRLMs and the BRLMs, has independently verified the information in the ICRA Report or other publicly available information cited in this section. See "Risk Factors – Internal Risk Factors - This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from ICRA" on page 47.

Overview

We are one of the leading private-sector general insurance companies in India. We offer a comprehensive and well-diversified range of insurance products in the motor, weather and crop, health, fire and engineering, and marine insurance sectors, as well as in other miscellaneous insurance business lines, which we provide through multiple distribution channels. In the half year ended September 30, 2018 and the financial year 2018, we issued over 2.97 million policies and 4.72 million policies, respectively, and our total GDPI was ₹35,689.82 million and ₹50,690.79 million, respectively. GDPI for the half year ended September 30, 2018 and the financial year 2018 included ₹14,611.65 million and ₹24,844.87 million, or 41.0% and 49.0% of total GDPI, from motor insurance, respectively, ₹9,253.36 million and ₹11,811.42 million, or 25.9% and 23.3% of total GDPI, from weather and crop insurance, respectively, ₹7,354.58 million and ₹7,820.84 million, or 20.6% and 15.4% of total GDPI, from health insurance, respectively, ₹3,146.25 million and ₹4,333.72 million, or 8.8% and 8.6% of total GDPI, from fire and engineering insurance, respectively, and ₹510.95 million and ₹672.97 million, or 1.4% and 1.3% of total GDPI, from marine insurance, respectively. We also participate in a number of insurance schemes promoted by the Government, notably in respect of weather insurance, crop insurance and mass health insurance. In connection with the periodic reporting obligations of our GDPI to the IRDAI, we submitted that our GDPI was ₹4,682.75 million, ₹4,147.11 million and ₹4,224.00 million for the months of October, November and December 2018, respectively. In addition, we submitted that our GDPI for the nine months ended December 31, 2018, was ₹ 48,743.80 million.

As at September 30, 2018, in addition to our own direct distribution through our branches, call center and website, our extensive multi-channel distribution network comprised individual and corporate agents (including bancassurance partners and NBFCs) as well as a significant number of brokers, and other intermediaries such as web aggregators. For example, we work with Maruti Insurance Broking Private Limited, Toyota Tshusho Insurance Broker India Private Limited and other large brokers for our Motor Insurance Business. According to the ICRA Report, as at March 31, 2018, our distribution network comprised the highest number of individual agents of any private sector company in the general insurance industry in India.

We focus on enhancing customer experience in order to retain and grow our customer base. This is reflected in particular in our consistent and continuing investment in IT platforms, designed to simplify customer service (both in respect of sales and claims) and also in our ability and desire to maintain a diverse product suite to meet the equally diverse needs of customers.

Our IT capabilities are critical to the efficient operation and performance of our business and one of the key contributors to our success as well as our future growth. Our strong IT infrastructure and web and portal based products provide comprehensive solutions to our core business functions such as sales and distribution of policies, policy servicing and administration, claims management, workflow management, human resource management and customer relationship management.

We are promoted by Reliance Capital Limited, an RBI registered Core Investment Company – Non-Deposit Taking Systemically Important Institution with business interests in asset management and mutual funds, life insurance, commercial lending, home finance, stock broking, wealth management services, distribution of financial products, asset reconstruction and proprietary investments, in addition to general insurance. Reliance Capital Limited is a part of the Reliance Group which has business interests in financial services, telecommunications, power, energy, infrastructure, and defense. The Reliance Group is led by Mr. Anil D. Ambani, one of India's prominent business leaders.

We have received numerous industry awards in recent years including:

- "Best General Insurance Company" (Asia's Banking, Financial, Services & Insurance Excellence Awards – 2018);
- "Initiative of the year in Risk & Compliance" (Times Network presents National Awards for Marketing excellence – 2018);
- "Data & Analytics & AI" (Celent Model Insurer Asia Awards – 2018);
- "Best General Insurance Company, Best Emerging Insurance Company, Underwriting Initiative of the year (Insurance Sector)" (ET Now BFSI awards – 2018);
- "Model Insurer Asia Data & Analytics & AI" (Celent Model Insurer Asia Award – 2018);
- "Model Insurer Asia Data & Analytics" (Celent Model Insurer Asia Award – 2017);
- "General Insurance Company of the Year" (Annual Insurance India Summit & Awards – 2017);
- "General Insurance Company of the Year" (ABP News BFSI Awards – 2017);
- "Best Multi-Channel Integrated Marketing Campaign" and "Best Overall Use of Social Media" (Global Marketing Excellence Awards – 2016); and
- "Best Product Innovation" (The Indian Insurance Awards – 2016).

Our GDPI has increased at a compound annual growth rate ("**CAGR**") of 34.8% to ₹50,690.79 million in the financial year 2018 from ₹27,916.55 million in the financial year 2016. Our net profit after tax has increased to ₹1,650.03 million in the financial year 2018 from ₹1,008.53 million in the financial year 2016. Our solvency ratio as at September 30, 2018 and March 31, 2018 was 1.71 times and 1.68 times compared to the IRDAI-required control level of 1.50 times.

As a general insurance company, in accordance with applicable regulations, we generally receive premiums significantly prior to when we are required to make payments in settlement of claims, which follows the reporting and processing of such claims. This leaves us with investible assets for the intervening period which we are required to invest in accordance with IRDAI Investment Regulations. Our investment policy is designed with the objective of effectively investing, supervising, monitoring and evaluating all activities pertaining to fund management. As of September 30, 2018 and March 31, 2018, we had an investment portfolio of ₹86,498.74 million and ₹79,988.64 million, respectively. Our investment portfolio increased at a CAGR of 21.9% between March 31, 2016 and March 31, 2018. During the half year ended September 30, 2018 and the financial year 2018 our investment portfolio generated realized returns (annualized) of 7.8% and 8.1% respectively. Debt investments comprises of 97.4% and equity investments comprises 2.6% of our total investments as at September 30, 2018. See "—*Investments*" beginning on page 167 for further details of our investments.

Our Competitive Strengths

We believe that we benefit from the following competitive strengths:

Comprehensive Product Suite

We offer a wide variety of insurance products, which allows us to achieve significant market penetration and contributes to our large customer base. We currently offer insurance products in the motor, weather and crop, health, fire and engineering, marine, and other business lines, to a diverse set of customers including individuals, governments, government entities, large corporates and SMEs. In the half year ended September 30, 2018, motor, weather and crop, health, fire and engineering, marine, and other products contributed 41.0%, 25.9%, 20.6%, 8.8%, 1.4% and 2.3%, of our GDPI respectively. In the financial year 2018, motor, weather and crop, health, fire and engineering, marine, and other products contributed 49.0%, 23.3%, 15.4%, 8.6%, 1.3% and 2.4%, of our GDPI respectively. By offering a wide variety of products we aim to improve the experience of our customers by allowing them to service their broader insurance needs through a single provider and increasing customer awareness of other products, while also allowing us to deepen our relationships with our customers by enabling us to target a greater share of their insurance requirements. We benefit from the size of our customer base as we are then also able to cross-sell other insurance products to customers who may have originally only sought one particular product. We also believe that our diverse portfolio of insurance products enables us to effectively manage our business through pricing cycles. In the half year ended September 30,2018 and the financial year 2018, we sold over 2.97 million and 4.72 million policies, respectively including, over 2.17 million and 3.94 million motor insurance policies, respectively, and over 0.15 million and 0.25 million health insurance policies, respectively.

We have created strong product design, marketing and sales capabilities, and continually modify our product offering based on government initiatives and customer demand. Our products are designed for a diverse customer base with features and premium requirements customized for specific customer segments. For example, we were able to increase our GDPI as result of the growth of the weather and crop insurance market in India by offering products with features specifically designed to meet the needs of farmers and the criteria of government sponsored programs.

Extensive Multi-Channel Distribution Network

As at September 30, 2018, our extensive multi-channel distribution network comprised over 28,960 individual and 39 corporate agents (including both public and private sector banks and NBFCs) as well as a significant number of brokers, bancassurance partners (including NBFCs) and other intermediaries such as web aggregators, and was supported by 130 branch offices in 115 cities, across 25 states and a union territory in India (as per the Central Goods and Services Tax Act, 2017). According to the ICRA Report, as of March 31, 2018, our distribution network comprised the highest number of agents of any private company in the general insurance industry in India. For the half year ended September 30, 2018 and the financial year 2018, GDPI generated from our individual agents, brokers and corporate agents contributed 19.3% and 26.1%, respectively, 24.4% and 20.9%, respectively, and 7.9% and 9.0%, respectively, of our total GDPI, while direct sales contributed 44.9% and 42.9% of our GDPI, respectively.

Our multi-channel network is diversified and so reduces dependence on any single distribution channel, and also enables us to access a broad range of customers across industries, geographic locations, income groups and customer demographics. As no one distribution channel or partner is individually significant in our business, we are not exposed to concentration risk in respect of their performance, contract renewal or credit.

Our success in attracting a large number of agents is predominantly a result of the goodwill associated with the Reliance brand and we consider our large agent network to be a significant strength of our business. Individual agents have certain specific advantages over other types of distribution channel. The contracts we enter into with our individual agents prohibit them from representing any other general insurance company. This gives individual agents an inherent value not just in distribution directly, but also in marketing and cross-selling potential. In addition to the attractiveness of our brand, our agents and brokers choose to do business with us as a result of our, financially strong operations, diverse product portfolio and the substantial sales and management training and infrastructure support (including a versatile web-portal) that we provide.

We have also entered into a number of beneficial tie-ups with financial institutions. We have entered into such arrangements with a number of private and public sector banks, NBFCs and other financial institutions. Our ability to enter into such arrangements with financial institutions has developed recently and we expect to grow our business from bancassurance providers in the future. Our corporate agents (other than banks) network has grown from three as at the beginning of the financial year 2016 to 27 as at September 30, 2018. Similarly, our bancassurance network has grown from two as at the beginning of the financial year 2016 to 12 as at September 30, 2018.

We also distribute policies directly, including online, through dedicated portals for customers, corporates and agents as well as through common service centers and web aggregators. We believe that our strong relationship with institutional customers has led to direct distribution being the highest contributor to our GDPI in the half year ended September 30, 2018 and the financial year 2018. We have implemented a variety of web-based solutions to integrate the operations of our distribution intermediaries with our IT platform which has enabled us to centrally manage and support our distribution infrastructure and reduce operating costs.

Customer-centric Sustainable Business Model

Our customer-centric product portfolio and our ability to provide insurance solutions for complex projects and risks has enabled us to develop strong customer relationships. Our high levels of service quality, focus on customer satisfaction, simplified underwriting, product development and efficient claims management capability have enabled us to develop a sustainable business model. Our market position, in terms of GDPI, in particular in respect of our motor and weather and crop insurance products reflects our diverse customer base, which includes individual and retail customers, small and medium sized enterprises, as well as large corporates requiring customized insurance solutions for complex projects. Our claim settlement ratio was 84.0%, 103.0% and 80.0% in the financial years 2018, 2017, and 2016, respectively. Our claim settlement ratio in the financial year 2018 was among the top 10 multi-product insurers in India according to the ICRA Report. In the financial year 2018, we settled 94.1% of claims within one month of receipt, respectively, one of the highest rates in the industry, according to the ICRA Report. Our complaint ratio for the half year ended September 30, 2018 and the financial year 2018 was 0.01% and 0.01%, respectively, one of the lowest in the industry according to the ICRA report, and has decreased from 0.59 per 10,000 policies to 0.11 per 10,000 policies from March 31, 2017 to March 31, 2018. Our grievance redressal system is also integrated with the grievance management system of the IRDAI.

Strong Financial Position

Our financial performance has been improving in recent years. Our strong balance sheet position gives us greater flexibility in investments, as well as the opportunity to grow our business by underwriting corporate risk policies, and looking for new and more profitable forms of risk for which we can provide insurance solutions.

Our net worth increased at a CAGR of 12.1% from ₹11,189.53 million as of March 31, 2016 to ₹14,051.15 million as of March 31, 2018. We have maintained a strong balance sheet and our solvency ratio as of September 30, 2018 was 1.71 times against minimum statutory requirement of 1.50 times.

Our GDPI has increased at a CAGR of 34.8% from ₹27,916.55 million in the financial year 2016 to ₹50,690.79 million in the financial year 2018. Our net profit after tax has increased at a CAGR of 27.9% from ₹1,008.53 million in the financial year 2016 to ₹1,650.03 million in the financial year 2018. We have declared dividends (including dividend distribution tax) of ₹ 75.69 million and ₹ 151.63 million for the financial years 2017 and 2018 respectively.

We also retain a conservative reserving policy, which is exemplified by our technical reserves to net premium ratio of 1.93 times for the financial year ended March 31, 2018, compared to the Indian private-sector general insurance average of 1.52 times for the financial year 2018, according to the ICRA Report.

Strong IT Infrastructure

Our IT capability is critical to the efficient operation and performance of our business and one of the key contributors to our success as well as our future growth. Our commitment to technological advancement has been underpinned by our IT spend in recent years. For the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, we spent ₹170.34 million and ₹375.63 million, ₹362.30 million and ₹362.27 million on our IT infrastructure, respectively. This investment has resulted in a number of new innovative processes and platforms, including notably:

- video streaming based claim processing;
- robotic process automation particularly in accounts reconciliation, motor claims and customer servicing;
- digital distribution through application program interface integration;
- digital interactive communication with customer through WhatsApp integration;
- artificial intelligence enabled BOT for customer servicing and sales quotes;
- RTO data integration to validate vehicle information and for quicker motor policy issuance; and
- multiple digital payment options such as wallets, payment links for renewals and for quotes in telesales process in order to increase convenience for customers.
- *Reliance Self-i*, our mobile application for Android and iOS platforms, for customers to check the status of their policy, renewal of policy and claim with additional features for purchasing insurance on the application, a garage/hospital locator for emergencies and road-side assistance in case of breakdowns.

Our IT infrastructure enables us to offer segmented and personalized solutions to cater to the requirements of our customers on our website, our agents on our agent portal, and our corporate clients on our corporate portal. Our IT infrastructure includes a wide variety of processes that improve both the experience of customers and agents as third parties who interact with us, and our internal functions, increasing our operational efficiency and accuracy. We are able to sell products to our customers as well as service their requirements. We also have mobile applications to serve our customers. We have also invested in data modelling solutions, business intelligence tools, dash boarding and MIS solutions. Our dedicated portals and mobile applications allow various stakeholders, including customers, surveyors, agents and brokers to undertake various business transactions round the clock.

Our online platform allows for automated surveyor appointments, surveyors to provide reports and other requisite documents electronically, and enables bulk upload facilities to ensure faster claims settlements, particularly with respect to our health insurance business. Our robust IT infrastructure also enables us to implement an efficient claims settlement process. We have introduced standardized claims processes, and are able to process claims at any of our offices irrespective of the policy issuance location. Improvements in our IT infrastructure also allow us to reduce costs, in particular, our business processes across our entire branch network have been rationalized creating standardized procedures for accounting, reconciliation, reporting, documentation and user communication.

Furthermore, we have been successful in undertaking digital marketing campaigns, in particular through social media which have added value and reach to our brand. We believe such digital marketing is particularly effective in attracting younger customers who have experience of making online purchases. For example, our 2016 home insurance campaign "#opendoors" was designed to increase awareness of home insurance as a product for retail customers. Such campaigns give us the ability to reach a more diverse set of potential customers. The success of our digital marketing campaigns has been recognized in our receipt of certain industry awards including awards for "Best Branded Content on Social Media" (Indian Content Marketing Award – 2016), "Best Social Media Integrated Campaign" (CMO Asia Social Media & Digital Marketing Excellence Awards – 2016") and "Best Multi-Channel Integrated Marketing Campaign" and "Best Overall Use of Social Media" (Global Marketing Excellence Awards – 2016).

Robust Enterprise Risk Management Framework

Since we are in the business of underwriting risk, risk selection and management is a critical aspect of our operations. We maintain a database of commercial risks inspected by our own risk management over the past decade which gives us the ability to benchmark a particular risk against our previous experiences for that category of risk. To help us assess a commercial risk, we have our own in-house risk management team which carries out inspection of the facilities and make recommendations as to the acceptability of risks. Further, we have focused on diversifying our business lines to reduce exposure to one business segment or product.

Further, our risk management policies extend to our investment strategy and portfolio, and ensure that we identify similar profitable investments but also potential risk and over-concentration. We follow a balanced investment strategy in compliance with applicable IRDAI regulations, focused on preserving capital and providing stable returns. These factors allow us to strengthen our balance sheet while also generating premium and investment income. For example, we have maintained very limited exposure to equity securities and have primarily invested in debt securities. System controls are also used to monitor continued compliance with IRDAI investment limits.

Our enterprise risk management framework consists of our Board approved risk management policy. Our risk management framework is the means by which we adopt practices designed to identify, assess, manage and mitigate any enterprise wide risks. Risks are separated into seven categories in our risk management policy: investment risk, credit risk, insurance risk, operational risk, compliance risk, fraud risk and strategic risk. See "*—Description of our Business—Risk Management*" beginning on page 170.

Our re-insurance policy, which includes risk retention policies that vary for each business line depending on the nature of the product we offer, is approved by the Board. For the financial year 2018, we increased our net direct premium income to GDPI ratio to 62.4% from 56.7% in the financial year 2017 (largely as a result of the increase in weather and crop insurance GDPI in the same period which is reinsured to a greater extent than other insurance products). We also use a high-quality panel of re-insurers, predominantly rated A- (S&P or equivalent international rating) or above, including GIC Re, SCOR RE, XL Insurance Company SE, Hannover Ruck Se and Munich Re.

Maintaining adequate reserves is also critical to protecting our balance sheet from significant negative conditions including either catastrophic events or a general increase in claims. This enables us to operate without undue concern for regulatory limits or generate other forms of liquidity which enables our business operations to focus on their primary operations.

Proficient Senior Management Team

Our operations are conducted by a well-qualified and proficient management team that has significant experience in all aspects of our business. The strength and quality of our senior management team and their understanding of the general insurance industry enables us to identify and take advantage of strategic market opportunities. Our key management personnel several years of industry experience. Our management team's understanding of the general insurance industry has enabled us to implement business strategies to grow our business and expand operations internationally. Our Executive Director and CEO, Mr. Rakesh Jain, has several years of experience in the general insurance industry in India and has been in the role of Executive Director and CEO since October 2011. Our track record reflects our senior management's strategic vision and proactive approach in adapting to the changing market environment and ability to maintain our position as one of the leading general insurance company's in India.

Our Strategies

Our position as a prominent insurer in the Indian market is based on our 18 years of commitment to the insurance industry. Building upon our strengths, we seek to grow our market share and improve our profitability. In order to achieve these targets we intend to pursue the following strategies:

Continue to Focus on Product Innovation

The general insurance market in India currently has significant potential for further penetration. As government policies seek to facilitate further penetration, we expect new opportunities and markets to develop, and we intend to grow our GDPI, and where possible market share, by capturing business in these markets.

We have grown our GDPI as a result of new government schemes in areas such as weather and crop insurance, and where further such initiatives are introduced we intend to capitalize on them. For example, we intend to offer a long term (three year) two wheeler insurance policy and have received approval from the IRDAI for such product. Further, we intend to grow our tie-ups with other corporate agents, in particular financial institutions following recent regulatory changes that allow corporate agents to sell the products of other general insurance companies. In particular, relationships with financial institutions would allow us to enter the market for additional products such as long-term two-wheeler insurance, or home loan insurance, previously dominated by general insurers promoted by financial institutions.

Continue to Invest in Technology

The insurance industry in India has seen rapid digitalisation, which is expected to further increase insurance penetration and we intend to be well positioned to benefit from this opportunity. In addition to offering us operational improvements, technology will also allow us to grow our business significantly by helping us target new customers and using enhanced platforms to offer quality customer experience. Recent growth in the numbers of customers accessing insurance through mobile platforms has illustrated the possibility technological advancements can offer to access new customers, particularly in an under-penetrated market. We will continue to use technology to make it easy for our customers to carry out transactions and interact with all elements of the insurance process.

This trend towards technological interaction with customers has already begun. For the half year ended September 30, 2018 and throughout the financial year 2018 we have seen a significant increase in total traffic on our website (6.70 million and 11.50 million visits/impressions according to Google Analytics respectively, an increase of 40% and 61.0% respectively from the previous half year and financial year), resulting in 0.19 million and 0.49 million policies sold online and amounting to the GDPI from our website of ₹370.09 million and ₹1,290.00 million.

Provide Superior Customer Experience

We intend to build on our customer service offering by continuing to improve the customer experience we offer and thereby retaining existing customers as well as attract new ones. Building on our existing platforms and monitoring their continued success (including in keeping complaints low), we are considering certain particular improvements that may simplify the experience of our customers such as:

- harnessing developments in automation for initial claim or complaint contacts, reducing waiting times and inefficiencies for our customers as well as costs for ourselves;
- developing credit relationships with automobile garages (in our motor insurance business line) and clinics and hospitals (in our health insurance business line) across India for our customers' convenience;
- offering the latest mobile solutions for customers reflecting their increasing desire to interact with service

providers such as insurers remotely, using tablets and other mobile hardware (for example, we have introduced a video streaming facility for inspections, for customers who suffer motor accidents, improving the speed and efficiency of the claims process); and

- further development of our website both in respect of range of functionality and efficiency; this will be particularly relevant as an increasing amount of customers choose to interact with us via our website.

Grow Distribution Network

We intend to broaden our distributor base to grow the share of our GDPI coming from retail customers (in particular through individual agents who have good access to retail customers). For instance, in the financial year 2018, we added MISP, Web Aggregator and insurance marketing firms as additional channels for distributing our products. We also intend to cross sell products to our customers. We have a dedicated retail and corporate business development team, which focuses on developing our relationships with various insurance intermediaries and large customers, which we see as a significant opportunity for future growth.

Improving Our Profitability

A key focus of our business is to accept and manage risks profitably, to create shareholder value. In the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, our net profit after tax was ₹1,133.13 million, ₹1,650.03 million, ₹1,287.28 million and ₹1,008.53 million, respectively. To achieve higher profitability, we intend to:

- optimize our business mix by expanding our business lines and product offerings where we see favorable premium rate opportunities and adequate margins;
- use our brand and distribution network to grow and diversify our customer network;
- continue to improve our risk management processes, data bases and technology; and
- continue to maintain high productivity per employee and keep our expenses of management low.

DESCRIPTION OF OUR BUSINESS

Our Products

We offer a broad range of insurance products and the following table sets forth the GDPI from each business line for the periods indicated:

Product	**Half year ended September 30, 2018**		**Financial Year 2018**		**2017**		**2016**	
	₹ in millions	**% of Total GDPI**	**₹ in millions**	**% of Total GDPI**	**₹ in millions**	**% of Total GDPI**	**₹ in millions**	**% of Total GDPI**
Motor Insurance:								
Own Damage	6,729.81	18.9%	11,983.84	23.6%	9,518.16	24.2%	7,947.72	28.5%
Third-Party	7,881.84	22.1%	12,861.03	25.4%	10,108.36	25.7%	8,657.53	31.0%
Total Motor Insurance	**14,611.65**	**41.0%**	**24,844.87**	**49.0%**	**19,626.52**	**49.9%**	**16,605.25**	**59.5%**
Weather and Crop Insurance	9,253.36	25.9%	11,811.42	23.3%	10,894.35	27.7%	1,126.25	4.0%
Health and Personal Accident Insurance:								
Health	7,354.58	20.6%	7,820.84	15.4%	3,443.30	8.7%	5,371.85	19.2%
Personal Accident	345.18	1.0%	289.34	0.6%	365.62	0.9%	274.75	1.0%
Total Health and	**7,699.76**	**21.6%**	**8,110.18**	**16.0%**	**3,808.92**	**9.6%**	**5,646.60**	**20.2%**

Product	Half year ended		Financial Year					
	September 30, 2018		2018		2017		2016	
	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI
Personal Accident								
Fire and Engineering Insurance								
Fire Insurance	2,778.59	7.8%	3,641.77	7.2%	2,989.13	7.6%	2,590.77	9.3%
Engineering Insurance	367.66	1.0%	691.95	1.4%	540.53	1.4%	531.95	1.9%
Total Fire and Engineering Insurance	**3,146.25**	**8.8%**	**4,333.72**	**8.6%**	**3,529.66**	**9.0%**	**3,122.72**	**11.2%**
Marine Insurance	510.95	1.4%	672.97	1.3%	499.93	1.3%	507.91	1.8%
Other Insurance	467.85	1.3%	917.63	1.8%	994.13	2.5%	907.82	3.3%
Total	**35,689.82**	**100.0%**	**50,690.79**	**100.0%**	**39,353.51**	**100.0%**	**27,916.55**	**100.0%**

Note: The coverage of our insurance policies described below is illustrative and is not indicative of the terms of any individual policy, nor does it supersede or supplement the terms of any such policy.

Motor Insurance

Motor insurance in India is broadly divided into two categories: comprehensive policies (which cover own damage and third party damage) and third-party damage only policies. Own damage motor insurance protects a vehicle owner from damage or theft to his/her own motor vehicle, and is optional. On the other hand, third-party motor insurance, which protects all third parties from damages suffered due to an accident involving a motor vehicle, must be purchased by every motor vehicle owner in India pursuant to the Motor Vehicles Act.

We offer comprehensive and third-party motor insurance across a range of types of vehicle (such as private car, two-wheeler and commercial vehicles) with various coverage options for policyholders.

Motor insurance accounted for 41.0%, 49.0%, 49.9% and 59.5% of our GDPI in the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, respectively, as compared to 36.5%, 39.4%, 39.4% and 44.0% of the general insurance industry in India in the same periods. Our GDPI from motor insurance increased from ₹16,605.25 million in the financial year 2016 to ₹24,844.87 million in the financial year 2018, representing a CAGR of 22.3%. In the half year ended September 30, 2018 and the financial year 2018, own damage accounted for 18.9% and 23.6% of our total GDPI, respectively, and third-party motor insurance accounted for 22.1% and 25.4% of our total GDPI, respectively.

Our motor insurance portfolio consists of private motor cars, two wheelers and commercial vehicles. The following table sets forth the GDPI for the products below for the periods indicated:

Product	Half year ended		Financial Year					
	September 30, 2018		2018		2017		2016	
	₹ in million	% of Motor GDPI	₹ in million	% of Motor GDPI	₹ in millions	% of Motor GDPI	₹ in millions	% of Motor GDPI
Private Car	6,484.66	44.4%	11,088.73	44.6%	7,547.86	38.4%	5,586.96	33.6%
Two Wheeler	2,011.23	13.8%	3,639.40	14.7%	3,135.28	16.0%	2,628.94	15.8%
Commercial Vehicle	6,115.76	41.8%	10,116.74	40.7%	8,943.38	45.6%	8,389.35	50.6%
Total	**14,611.65**	**100.0%**	**24,844.87**	**100.0%**	**19,626.52**	**100.0%**	**16,605.25**	**100.0%**

Own Damage Motor Insurance

Private Car Insurance

We also provide various add-ons to our private car insurance product, including nil depreciation cover (the value of the parts that are replaced at the time of a claim is not reduced by depreciation), no-claims bonus retention (available for older vehicles allowing customers to retain their no claims bonus even after they have made a claim), personal accident bundle cover (adding coverage for personal injury or death suffered as part of a road accident), consumables cover (covers the cost of accessories such as nuts and bolts used in the case of damage to the vehicle) and engine cover (covers damage to the engine or differential or gear box parts, rendered by water ingression or leakage of lubricating oil whilst an indirect problem is being repaired) and a variety of other potential add-ons catering to specific customer needs.

Two-Wheeler Insurance

We also provide add-ons to our two wheeler insurance product, including nil depreciation cover (the value of the parts that are replaced at the time of a claim is not reduced by depreciation), daily allowance benefit (compensating for fixed expenses that occur when the insured vehicle is being repaired), helmet cover (any damages to the helmet during a road accident involving an insured two-wheeler) and a variety of other add-ons.

Commercial Vehicle Insurance

Commercial vehicles consist of goods carrying vehicles, passenger carrying vehicles and construction equipment. We also provide add-ons to our commercial vehicle insurance product, including personal accident bundle cover (adding coverage for personal injury or death suffered as part of a road accident) accidental towing cover (including the provision of a towing service in the event of vehicle breakdown), equated monthly installment ("**EMI**") protection (coverage of EMI if the vehicle stays remains under repair for longer than a pre-defined period), additional towing cover (covering additional charges incurred in towing of vehicle after a road accident), daily allowance benefit (compensating for fixed expenses that occur when the insured vehicle is being repaired), nil depreciation cover (the value of the parts that are replaced at the time of a claim is not reduced by depreciation) and a variety of other add-ons.

Third-Party Insurance

Every motor vehicle owner in India is required to purchase third-party motor insurance pursuant to the Motor Vehicles Act, 1988, as amended, which protects all third parties from damages suffered due to an accident involving a motor vehicle. Damages may include death, personal injury and property damage. Third-party risks were addressed by shared risk pool with every general insurer in India having been mandated to assume a portion of such risk until 2012, when the shared risk pool was dismantled and a declined risk pool was set up. This declined risk pool was also dismantled during the financial year 2016. Each general insurer in India is mandated to meet a quota for third-party motor insurance policies written, and the IRDAI sets this quota every year based on a predetermined formula. With effect from September, 2018, the IRDAI mandated that all general insurers operating motor business in India were required to offer three year third party insurance cover for private cars and five year third party insurance cover for two wheelers.

Third-party motor insurance differs from the other insurance products we provide in various ways – each third-party motor insurance policy subjects us to an uncapped liability, there is no time limit for any claims to be made, we are mandated to provide a policy to every customer that requests one, and the premium rates are set by the regulator, rather than being based on our underwriting and pricing methodology. Due to the uncapped liability and no time limit for claims to be made, adequate reserving, investigation of fraudulent claims and proactive settlements are critical to the performance of this product. However, given the long-tail nature of our third-party motor insurance liabilities and the fact that our reserves are not discounted, premium from third-party motor insurance policies remains a part of our total investments for a longer duration and helps generates investment returns. See "*Risk Factors—Internal Risk Factors—There may be changes in the regulation of motor insurance or demand for motor vehicles in India, which could adversely affect our business and results of operations*" on page 31.

The premium rates for third-party motor insurance are set by the IRDAI and reviewed and adjusted at regular intervals (generally annually) by them using a prescribed formula which considers cost inflation index, frequency of claims, average claim size and expenses at an industry-wide level. Given the pricing limitation, we carry out a regular analysis of our third-party motor portfolio and are focused on risk selection to improve our loss experience.

Motor Extended Warranty

We also offer extended warranty cover to our motor insurance customers, which covers the cost of repair or replacement of certain specified motor vehicle parts as a result of mechanical or electronic breakdown, after the expiry of the relevant manufacturer's warranty. We offer extended warranty cover at the time of purchase of a new vehicle or at any time during the manufacturer's warranty period.

Weather and Crop Insurance

Weather and crop insurance is purchased by farmers to protect themselves against reduction in their crop yield or loss of their crops due to non-preventable risks such as inadequate or excessive rainfall, hailstorm, landslides and variation in temperature and humidity.

Total industry GDPI for weather and crop insurance was ₹254,530.00 million for the financial year 2018 (16.9% of total industry GDPI) compared to ₹204,420.00 million for the financial year 2017 (16.0% of total industry GDPI). Our weather and crop insurance business reflected this trend as we were able to benefit from this growth. Our total GDPI for weather and crop insurance was ₹11,811.42 million for the financial year 2018(23.3% of our total GDPI) compared to ₹10,894.35 million for the financial year 2017(27.7% of our total GDPI), an absolute increase of 8.4% to our total GDPI.

We participate in the Pradhan Mantri Fasal Bima Yojana (the "**PMFBY**") and the Restructured Weather Based Crop Insurance Scheme (the "**RWBCIS"**), which are major weather and crop insurance related government programs. While weather and crop insurance may be sold separately, it is mostly offered as an add-on to agricultural loans and sold primarily in relation to the two main crop seasons of India – Kharif and Rabi. This also means that there is a seasonality to the weather and crop insurance business, and we receive the majority of our GDPI from the weather and crop segment in the second, third and fourth quarters of the financial year, coinciding with Kharif and Rabi.

Under these government programs, central and state governments subsidize yield-based weather and crop insurance for farmers. The program provides coverage for all food crops, oilseeds, annual commercial and annual horticultural crops. Farmers are charged a uniform premium based upon the type of crop and risk-based pricing, and the remaining amount is paid by the central and state governments in equal proportion. Claims are paid based on the shortfall of yield for a specified insured area, as measured, in respect of the PMFBY, by the results of crop cutting experiments ("**CCEs**") conducted at the end of each season by government authorized personnel under PMFBY and, in respect of the RWBCIS, by the application of a specified formulae. In the financial year 2018, we issued policies to 3.47 million farmers, in the Kharif and Rabi seasons, across seven states and 61 districts.

See also "*Risk Factors—Internal Risk Factors—The offering of weather and crop insurance products is subject to certain specific risks that could have an adverse effect on our business, financial condition, results of operations and future*" on page 28.

Health and Personal Accident Insurance

Health Insurance

Health insurance in India is purchased by corporates as a benefit for their employees, as part of government run-schemes and by retail customers for their own coverage. Health insurance accounted for 20.6%, 15.4%, 8.7% and 19.2% of our GDPI in the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, as compared to 25.7%, 25.2%, 23.3% and 25.8% of the general insurance industry in India in the same periods. Our GDPI from health insurance increased from ₹5,371.85 million in the financial year 2016 to ₹7,820.84 million in the financial year 2018, representing a CAGR of 20.7% as a result of the termination of a significant Government-promoted scheme in the financial year 2017. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Financial Year 2018 compared to Financial Year 2017*" on page 337 for further explanation.

Our Health Insurance Products

Our health insurance portfolio consists of policies purchased by retail customers, corporate customers and as part of government run mass health schemes. The following table sets forth the GDPI for these products below for the periods indicated:

Product	**Half year ended**		**Financial Year**					
	September 30, 2018		**2018**		**2017**		**2016**	
	₹ in millions	**% of Health GDPI**	**₹ in millions**	**% of Health GDPI**	**₹ in millions**	**% of Health GDPI**	**₹ in millions**	**% of Health GDPI**
Retail Health	627.58	8.5%	1,106.58	14.1%	1,029.33	29.9%	922.21	17.2%
Corporate Health	3,726.31	50.7%	3,806.40	48.7%	2,106.38	61.2%	1,868.36	34.8%
Mass Health	3,000.69	40.8%	2,907.86	37.2%	307.59	8.9%	2,581.28	48.0%
Total	**7,354.58**	**100.0%**	**7,820.84**	**100.0%**	**3,443.30**	**100.0%**	**5,371.85**	**100.0%**

Retail Health

Our retail health insurance product is sold to individuals. Retail health insurance is broadly divided into two categories: benefit-based and indemnity-based policies. Benefit-based policies provide the policyholder with a fixed sum upon the occurrence of a specific event, such as a diagnosis of a critical illness. Indemnity-based policies compensate the policyholder for actual health expenses incurred, such as hospitalization costs and prescription drug costs. See "*Risk Factors – Internal Risk Factors*" on page 21.

Corporate Health

Our corporate health product is purchased by corporates, including SMEs, as employee benefits. In providing corporate health insurance we develop relationships with such corporate customers and generate exposure to corporate employees who, if they are satisfied with their experience, may then consider using us for their other insurance requirements.

Mass Health

Our mass health insurance product consists of our participation in central and state government health programs and our appointment as insurers for any such programs for any periods has a significant impact on our results for this sub-segment in that period. We have participated in government sponsored health insurance programs, such as the Rashtriya Swasthya Bima Yojana ("**RSBY**"). This program provides insurance benefits to low income households and certain defined categories of unorganized workers. In the financial years 2016 and 2015, our GDPI in the mass health sub-segment was higher than that in the financial year 2017 as we participated in RSBY program for the state of Kerala in those periods. We were not appointed to provide policies for that program in 2017 for the state of Kerala and so our GDPI in mass health decreased in that period. However our tender for the program for Kerala in the financial year 2018 was successful and our GDPI in mass health for the financial year 2018 has increased accordingly.

Personal Accident Insurance

Personal accident insurance provides benefit-based coverage to policyholders for accidents suffered by them. Personal accident insurance accounted for 1.0%, 0.6%, 0.9% and 1.0% of our total GDPI in the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, respectively, as compared to 3.2%, 2.9%, 2.8% and 2.7% of the general insurance industry in India in the same periods. Our GDPI from personal accident insurance increased from ₹274.75 million in the financial year 2016 to ₹289.34 million in the financial year 2018.

Our personal accident portfolio consists of corporate and retail products. The following table sets forth the GDPI for these products below for the periods indicated:

Product	**Half year ended**	**Financial Year**		
	September 30, 2018	**2018**	**2017**	**2016**

	₹ in millions	% of Personal Accident GDPI	₹ in millions	% of Personal Accident GDPI	₹ in millions	% of Personal Accident GDPI	₹ in millions	% of Personal Accident GDPI
Retail Personal Accident	18.22	5.3%	36.68	12.7%	32.60	8.9%	23.56	8.6%
Corporate Personal Accident	326.96	94.7%	252.66	87.3%	333.02	91.1%	251.19	91.4%
Total	**345.18**	**100.0%**	**289.34**	**100.0%**	**365.62**	**100.0%**	**274.75**	**100.0%**

Fire and Engineering Insurance

Fire Insurance

Standard fire and special perils insurance (known as 'Peril Policy') ("**SFSP**") covers damage or loss to property because of fire, lightening, explosion, aircraft damage riot, strike, earthquake, storm, flood, and certain other natural catastrophes.

Fire loss of profit insurance ("**FLOP**") covers loss of profit suffered by a business as a result of a loss resulting from perils under SFSP.

Industrial all risk insurance ("**IAR**") is provided to manufacturing facilities and it is an exclusion based policy. In addition to material damage suffered by the business due to reasons other than those excluded, it also covers connected loss of profit.

'Mega Risk' insurance provides cover to any facilities where the sum insured at any location covered by the policy is above ₹25,000 million. Given the size of such risks, their policy coverage is generally individually prepared for each such policy.

Fire insurance accounted for 7.8%, 7.2%, 7.6% and 9.3% of our GDPI in the half year ended September 30, 2018 and in the financial years 2018, 2017 and 2016, respectively, as compared to 7.2%, 7.2%, 7.5% and 9.0% of the general insurance industry in India in the same periods. Our GDPI from fire insurance increased from ₹2,590.77 million in the financial year 2016 to ₹3,641.77 million in the financial year 2018, representing a CAGR of 18.6%. Our fire insurance is sold to large corporates, SMEs and individual.

Engineering Insurance

Engineering insurance policies can be broadly classified as either "long term" or "annual".

Long term policies provide cover against accidental loss to construction projects which include construction work or the installation of machinery. Such policies are long term in nature and cover the entire duration of the project.

Annual policies are used during the operational phase and covers breakdown or accidental damage of machinery, electronic equipment or boiler and pressure plants, depending on the policy.

Engineering insurance accounted for 1.0%, 1.4%, 1.4% and 1.9% of our GDPI in the half year ended September 30, 2018 and in the financial years 2018, 2017 and 2016, respectively, as compared to 1.5%, 1.5%, 1.8% and 2.5% of the general insurance industry in India in the same periods. Our GDPI from engineering insurance increased from ₹531.95 million in the financial year 2016 to ₹691.95 million in the financial year 2018. Our engineering insurance is primarily sold to large corporate and SMEs.

Marine Insurance

Marine insurance is sold primarily to corporates with significant trading operations and covers losses or damage suffered to good whilst they are being shipped. Marine insurance accounted for 1.4%, 1.3%, 1.3% and 1.8% of our GDPI in the half year ended September 30, 2018 and in the financial years 2018, 2017 and 2016, respectively, as compared to 2.0%, 1.9%, 2.3% and 3.1% of the general insurance industry in India in the same periods. Our GDPI from marine insurance increased from ₹507.91 million in the financial year 2016 to ₹672.97

million in the financial year 2018, representing a CAGR of 15.1%. Our marine insurance is primarily sold to corporates and SME's.

Other Insurance

Other insurance refers to insurance products that are not covered by the other categories mentioned above. Some of these products include:

- Package Insurance – sold to individuals or corporates, covering any of a range of risks, such as fire, burglary, machinery breakdown, electronic equipment and appliances, loss of cash, baggage, fixtures and fittings, personal accident, employee fraud, legal liability an additional rent or alternative accommodation;

- Travel Insurance - covering, among others, medical expenses, trip cancellation, lost luggage, flight accident and other losses while traveling;

- Liability Insurance - insuring the policyholder against the risk of liability imposed by lawsuits or other similar claims from third parties related to the coverage reasons; and

- Burglary Insurance - insuring the policyholder against damage to a home caused by burglary or theft.

Other insurance accounted for 2.3%, 2.4%, 3.4% and 4.3% of our total GDPI in the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, respectively. Our GDPI from other insurance increased from ₹1,182.57 million in the financial year 2016 to ₹1,206.97 million in the financial year 2018, representing a CAGR of 1.0%.

Operating Performance

The following table sets forth our loss ratio, expense ratio and combined ratio by product category for the periods indicated. See "*Management's Discussion and Analysis Of Financial Condition And Results Of Operations—Key Performance Indicators*" on page 346 for a description of how these ratios are calculated.

Particulars	**Half year ended**	**Financial Year**		
	September 30, 2018	**2018**	**2017**	**2016**
Loss Ratio:				
Motor Insurance:				
Own Damage	71.5%	59.1%	55.0%	57.1%
Third-Party	91.8%	102.6%	124.5%	113.8%
Total Motor Insurance	**82.2%**	**81.5%**	**91.4%**	**87.3%**
Weather and Crop Insurance	70.2%	68.8%	94.1%	155.8%
Health and Personal Accident Insurance:				
Health	100.9%	107.3%	91.2%	95.6%
Personal Accident	42.0%	90.4%	164.1%	98.9%
Total Health and Personal Accident	**98.6%**	**106.5%**	**98.5%**	**95.9%**
Fire and Engineering Insurance:				
Fire Insurance	69.8%	61.4%	107.0%	64.7%
Engineering Insurance	128.9%	65.9%	34.9%	62.2%
Total Fire and Engineering Insurance	**81.5%**	**62.3%**	**90.5%**	**64.1%**
Marine Insurance	376.2%	116.0%	103.2%	117.3%
Other Insurance	34.8%	36.9%	58.7%	48.0%
Total Loss Ratio	**85.3%**	**84.7%**	**92.2%**	**89.4%**
Net Expense Ratio:				
Motor Insurance:				
Own Damage	35.2%	39.4%	34.7%	31.9%
Third-Party	19.7%	28.7%	34.7%	30.9%
Total Motor Insurance	**49.2%**	**33.8%**	**34.7%**	**31.4%**
Weather and Crop Insurance	-6.9%	1.2%	-37.0%	7.8%

Particulars	Half year ended	Financial Year		
	September 30, 2018	2018	2017	2016
Health and Personal Accident Insurance:				
Health	17.8%	14.8%	33.3%	29.2%
Personal Accident	37.4%	32.6%	35.5%	45.4%
Total Health and Personal Accident	**18.7%**	**15.6%**	**33.5%**	**30.0%**
Fire and Engineering Insurance:				
Fire Insurance	22.1%	25.6%	7.3%	23.2%
Engineering Insurance	5.3%	39.2%	30.0%	25.0%
Total Fire and Engineering Insurance	**20.0%**	**27.8%**	**11.7%**	**23.6%**
Marine Insurance	-14.1%	-44.1%	-28.4%	58.3%
Other Insurance	39.3%	35.0%	38.6%	53.1%
Total Net Expense Ratio	**20.7%**	**26.3%**	**28.0%**	**31.1%**
Combined Ratio:				
Motor Insurance:				
Own Damage	106.7%	98.5%	89.8%	88.9%
Third-Party	111.5%	131.3%	159.2%	144.7%
Total Motor Insurance	**131.4%**	**115.3%**	**126.1%**	**118.7%**
Weather and Crop Insurance	63.4%	70.0%	57.1%	163.6%
Health and Personal Accident Insurance:				
Health	118.7%	122.1%	124.5%	124.9%
Personal Accident	79.5%	123.1%	199.6%	144.2%
Total Health and Personal Accident	**117.4%**	**122.2%**	**132.0%**	**125.8%**
Fire and Engineering Insurance:				
Fire Insurance	91.9%	87.0%	114.3%	87.9%
Engineering Insurance	134.2%	105.1%	64.8%	87.2%
Total Fire and Engineering Insurance	**101.5%**	**90.1%**	**102.2%**	**87.7%**
Marine Insurance	362.2%	71.9%	74.9%	175.6%
Other Insurance	74.1%	72.0%	97.3%	101.1%
Total Combined Ratio	**106.0%**	**111.0%**	**120.2%**	**120.5%**

Sales and Marketing

We employ a product specific, multi-channel approach to market and sell our products. We divide our products and distribution teams into “wholesale”, covering corporate and government customers and “retail” covering individuals. Our sales and marketing channels include direct sales (including online), individual agents, brokers and corporate agents including banks.

The following table sets forth our GDPI with respect to each of the channels for the periods indicated:

Distribution Channels	Half year ended		Financial Year					
	September 30, 2018		2018		2017		2016	
	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI
Direct:								
Digital	529.75	1.5%	832.44	1.6%	589.79	1.5%	416.48	1.5%
Others	15,490.01	43.4%	20,943.80	41.3%	17,163.32	43.6%	7,099.60	25.4%
Direct Total	**16,019.76**	**44.9%**	**21,776.24**	**42.9%**	**17,753.11**	**45.1%**	**7,516.08**	**26.9%**
Broker	8,710.23	24.4%	10,529.34	20.9%	7,479.87	19.0%	5,794.96	20.7%
Corporate Agents:								
Banks Partners	830.60	2.3%	1,506.07	3.0%	576.07	1.5%	522.54	1.9%
Other	1,982.67	5.6%	3,045.44	6.0%	1,040.63	2.6%	1,282.61	4.6%
Corporate Agents Total	**2,813.27**	**7.9%**	**4,551.51**	**9.0%**	**1,616.70**	**4.1%**	**1,805.15**	**6.5%**
Individual Agents	6,881.35	19.3%	13,249.69	26.1%	12,503.83	31.8%	12,800.36	45.9%
Other-IMF	4.04	0.0%	3.57	0.0%	-	-	-	-
Other- MISP	669.14	1.9%	481.02	0.9%	-	-	-	-
Other-POS	592.03	1.6%	99.42	0.2%	-	-	-	-

Distribution Channels	Half year ended		Financial Year					
	September 30, 2018		2018		2017		2016	
	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI
Total	**35,689.82**	**100.0%**	**50,690.79**	**100.0%**	**39,353.51**	**100.0%**	**27,916.55**	**100.0%**

Direct

Direct Others

'Direct Others', which refers to our general direct sales channel accounted for ₹16,019.76 million and ₹21,776.24 million in total GDPI in the half year ended September 30, 2018 and the financial year 2018, respectively, which represented 44.9% and 42.9% of our total GDPI, respectively. We use our direct others channel predominantly for retail and corporate sales. Direct sales are those that are made when customers approach us for coverage directly, either at a branch, or by calling our call center. Sales of insurance products through government schemes such as the PMFBY and the RWBCIS are also included in as 'Direct Others' sales (which led to the relative increase of the size of sales through these channels in the financial years 2017 and 2016).

Direct Digital

We have invested significantly in or our direct online sales and marketing platforms, and now offer our products through our website, and various mobile platforms. In recent years our GDPI from direct digital distribution has increased consistently, by 99.9% in the financial year 2018 compared to the financial year 2016. We expect this trend to continue, and as we seek to increase our retail customer base we expect this distribution channel to become increasingly important to our business. In the half year ended September 30, 2018 and the financial year 2018, our website received approximately 1,120,000 visits and 900,000 visits, respectively, generated approximately 190,000 quotes and 130,000 quotes, respectively, and produced approximately 31,074 policies and 40,700 policies a month, respectively.

Corporate Direct

A specific team is responsible for direct sales to corporate clients, and they focus on relationships with large corporates and seek to use specific industry specific experience to provide high quality customer service to such corporate clients.

Individual Agents

As at September 30, 2018, our extensive multi-channel distribution network comprised over 28,960 individual agents. Our individual agents accounted for ₹6,881.35 million and ₹13,249.69 million in total GDPI in the half year ended September 30, 2018 and the financial year 2018, respectively, which represented 19.3% and 26.1% of our total GDPI, respectively.

Individual insurance agents exclusively sell our general insurance products to individual and SME customers. Our standard contractual terms require individual agents to sell our products exclusively. We actively recruit and provide training for individual agents, and they are also integrated with the business development and strategy and planning team to ensure their operations are carried out in accordance with our marketing and broader corporate strategy. Our individual agents also have access to our web based systems where they can track renewals, claim statuses and other supporting information and documentation.

Our marketing team also supports our agents by providing them with marketing materials. Our internal systems also generate recommendations for potential cross-selling opportunities of which individual agents are notified and encouraged to explore. We also provide administrative support for our individual agents in respect of underwriting policy, customer policy renewals and the tracking of the status of claims. In particular our online underwriting system greatly simplifies the process of providing quotations for individual agents, and also helps us ensure a consistent quality of process in underwriting and customer service.

Brokers

Our broker channel accounted for ₹8,710.23 million and ₹10,529.34 million in total GDPI in the half year ended September 30, 2018 and the financial year 2018, respectively, which represented 24.4% and 20.9% of our total GDPI, respectively.

Insurance brokers represent customers that are looking to purchase insurance. In particular, certain brokers focus on catering to large corporate customers and work closely with such customers and ourselves to design specifically tailored polices to meet their specific needs. Brokers therefore play a significant role in the insurance market for corporate customers.

Corporate Agents and Bancassurance

Our products are also distributed by certain corporate, banking and other financial institution partners, as part of agreements we have entered into with them. We have entered into such arrangements with a number of corporate agents including private and public sector banks, NBFCs and other financial institutions. Our key corporate agents include IndusInd Bank Limited, Andhra Bank, YES Bank Limited, One97 Communications Limited, SBI Cap Securities Limited, Equitas Small Finance Bank Limited, Volkswagen Finance Private Limited, Daimler Financial Services India Private Limited , Bank of Bahrain & Kuwait B.S.C, Catholic Syrian Bank Limited, Reliance Securities Limited, Muthoottu Mini Financiers, The Abhinav Sahakari Bank Limited, Indiabulls Housing Finance Limited, Reliance Home Finance Limited, Reliance Commercial Finance Limited, Kosamattam Finance Limited, Mehsana Co-operative Bank Limited, Interactive Tradex India Private Limited, Malad Sahakari Bank Limited and North India Finserve Private Limited.

Such distribution channels are important and potentially lucrative parts of the Indian general insurance market as a large number of customers purchase insurance at the point of sale of relatively high capital value products (such as motor vehicles and houses).

Historically regulations in India had prevented such banks and financial institutions from entering into such relationships with more than one general insurance provider. The result of this was that such relationships, and the specific insurance products that they are most effective at promoting (such as home and home loan insurance) were dominated by general insurance providers who were promoted by banks or financial institutions. However such regulations were relaxed in April 2016 and banks and financial institutions are permitted to enter into relationships with up to three general insurance providers, and so we have been able to begin to cultivate these relationships.

Geographical Distribution

The following table sets forth the geographical distribution (on the basis of the source of origination) of our GDPI for the periods indicated:

Location	Half year ended	Financial Year		
	September 30, 2018	2018	2017	2016
	₹ in millions			
Andhra Pradesh	281.22	473.75	410.66	323.66
Arunachal Pradesh	12.50	13.53	11.4	13.77
Assam	227.71	320.58	246.54	157.93
Bihar	222.16	380.14	264.47	254.08
Chhattisgarh	111.20	829.86	1,475.80	114.57
Goa	52.00	65.32	28.36	25.93
Gujarat	7,458.53	4,542.01	3,426.70	2,574.06
Haryana	463.01	1,054.15	844.20	657.90
Himachal Pradesh	202.76	308.32	247.84	263.43
Jammu & Kashmir	457.91	525.96	216.68	200.95
Jharkhand	369.81	503.14	398.60	350.14
Karnataka	3,583.25	3,998.82	3,429.22	2,866.23
Kerala	3,861.31	4,359.42	1,375.86	3,512.26
Madhya Pradesh	586.84	771.15	585.83	422.89
Maharashtra	4,809.24	16,377.14	14,801.10	5,959.98
Manipur	0.46	0.64	0.10	0.03

Location	Half year ended	Financial Year		
	September 30, 2018	2018	2017	2016
	₹ in millions			
Meghalaya	0.68	1.83	0.69	1.12
Mizoram	0.31	0.57	0.35	0.20
Nagaland	0.49	0.37	0.34	0.35
Orissa	1,895.43	493.79	1,073.43	367.00
Punjab	230.18	392.16	283.90	286.95
Rajasthan	281.23	352.75	380.24	386.19
Sikkim	23.21	4.39	4.13	0.96
Tamil Nadu	2,102.06	2,951.01	2,445.85	2,234.14
Telangana	1,007.58	1,624.39	1,588.52	1,297.46
Tripura	6.19	14.07	9.30	1.15
Uttar Pradesh	1,399.98	3,649.45	1,263.26	1,877.30
Uttarakhand	122.89	225.44	157.14	131.92
West Bengal	3,249.68	3,259.85	1,849.74	1,598.35
Andaman & Nicobar Is.	0.02	0.58	-	0.02
Chandigarh	221.49	680.08	397.34	133.66
Dadra &Nagra Haveli	1.33	2.17	4.42	7.87
Daman & Diu	6.41	0.59	5.85	1.02
Delhi	2,330.00	2,330.96	1,988.86	1,786.64
Lakshadweep	-	-	-	-
Puducherry	110.75	182.41	136.79	106.44
Total	**35,689.82**	**50,690.79**	**39,353.51**	**27,916.55**

Underwriting and Pricing

Our underwriting strategy, determined by our board, is to build a diverse and profitable portfolio. We have set out our underwriting framework in the form of an underwriting policy, which is subject to periodic reviews. We have dedicated underwriters for each line of business and our underwriting structure is limited to two tiers, one at zonal level and the other at corporate office level. We believe that this structure ensures fast and effective communication and compliance with our underwriting framework. Typically, large risks and specialized policies are underwritten at our corporate office, while the delegation of authority to zonal offices is for routine and low exposure risks. Where authority is delegated to zonal offices, checks and controls are managed through our systems to ensure guidelines are strictly followed. Personnel involved in the underwriting process are given continual training on our risk management policies.

The pricing of our products is based on various factors, including expense ratios, interests of our customers, our ability to bundle add-on services, competition, historical claim frequency and amounts, projection of future events, IRDAI regulations and strategic considerations.

We also use various technological platforms in our underwriting processes to provide analytical support for underwriters. In particular, our platform known as 'SAS' allows us to analyze our own historical loss experience data to analyze different categories of risk and price related policies accordingly.

Risk Management Services

We maintain a database of the commercial risks that have previously been inspected by our own risk management team which gives a framework in which we can consider a particular risk against our previous experiences for that category of risk. To help us assess commercial risks, we have an in-house risk management team which makes recommendations on the acceptability of risks. Our risk management team also make recommendations to our customers for reduction of risks, to reduce the probability of losses (and therefore claims) occurring.

Reinsurance

We use reinsurance primarily to mitigate risk exposure and obtain technical advice on underwriting and pricing. Our reinsurance program is a combination of proportional and non-proportional programs. Proportional programs allow us to share any losses arising from claims with the relevant re-insurer proportionally. Non-proportional programs allow us to allocate certain losses over a prescribed limit to the relevant reinsurer and we use such policies to protect our balance sheet from certain peak events such as natural disasters including earthquakes, cyclones and floods.

In addition to required reinsurance, we also procure additional optional reinsurance in accordance with our risk strategy as set out in our reinsurance program.

We work with reinsurers in accordance with IRDAI regulations and guidelines. During the half year ended September 30, 2018 and the financial year 2018, 78.3% and 79.5%, respectively, of our reinsurance was undertaken with reinsurers rated A- or higher.

The details of premium on reinsurance ceded for the half year ended September 30, 2018 is set forth below:

S&P or Equivalent International Rating	Premium Ceded to Reinsurers			%
	Treaty	Facultative	Total	
	₹ in millions			
AAA and above	-	-	-	-
AA but less than AAA	35.38	53.19	88.57	0.5%
A but less than AA	11,015.97	651.67	11,667.64	77.8%
BBB but less than A	998.84	15.30	1,014.14	6.8%
Less than BBB	0.67	10.03	10.70	0.1%
Indian Reinsurer other than GIC Re	1,591.89	621.98	2,213.87	14.8%
Total	**13,642.75**	**1,352.17**	**14,994.92**	**100.0%**

The details of premium on reinsurance ceded for the financial year 2018 is set forth below:

S&P or Equivalent International Rating	Premium Ceded to Reinsurers			%
	Treaty	Facultative	Total	
	₹ in millions			
AAA and above	24.77	-	24.77	0.1%
AA but less than AAA	73.12	366.52	439.64	2.2%
A but less than AA	14,035.80	1,064.84	15,100.64	77.2%
BBB but less than A	1,237.67	37.49	1,275.16	6.5%
Less than BBB	1.03	0.07	1.10	0.0%
Indian Reinsurer other than GIC Re	1,677.10	1,069.28	2,746.38	14.0%
Total	**17,049.49**	**2,538.20**	**19,587.69**	**100.0%**

Under the IRDAI Reinsurance Regulations, we are required to offer reinsurance we cede in a prescribed order of preference, predominantly favoring domestic reinsurers. Due to such regulations, and the unique attributes of the Indian insurance market, GIC Re is our largest reinsurance partner and reinsurance ceded to GIC Re accounted for 67.6%, 69.1% and 64.9% of our total reinsurance ceded for the financial years 2018, 2017 and 2016, respectively. We also purchase reinsurance from many top global reinsurers, including GIC Re, SCOR RE, XL Insurance Company SE, Hannover Ruck Se and Munich Re.

We also write a small amount of reinsurance known as 'Insurance Inward'. This is primarily related to large, corporate or commercial Indian risks, which we reinsure together with other domestic insurers, including GIC Re.

Claims Reserving and Actuarial Practices

General insurers in India are required to establish a liability in their accounts (claim reserves) for the unpaid portion of ultimate costs (including loss adjustment expenses) of claims that been reported but not settled (IBNER) and of claims that have been incurred but not reported (IBNR). We determine our reserves based on actuarial assumptions, methods and models, historical loss experience, adjustments for future trends and actuarial judgment. See "*Risk Factors—Internal Risk Factors—The actuarial valuations in respect of IBNR and IBNER are estimates and could be incorrect, which may be detrimental to our financial condition.*" on page 38.

Our Appointed Actuary and Mentor Actuary are jointly responsible for the assessment of our IBNR and IBNER reserves, which is conducted on a quarterly basis. Our approach is consistent with regulatory guidelines, which do not permit discounting of reserves or negative provisions for any particular year of occurrence derived in accordance with relevant IRDAI regulations and Actuarial Practice Standards issued by the Institute of Actuaries of India.

Significant factors involved in estimating the future claims liability include:

- *The effect of inflation on claims.* The anticipated effect of inflation is implicitly considered when estimating liabilities for unpaid losses and loss adjustment expenses (other than in the case of third party motor insurance claims from the accident year 2013 which include explicit inflation assumptions). Such anticipated effects include changes in social and judicial attitudes towards claims (including the magnitude of court awards) and cannot be measured by external data sources with accuracy. Estimates of the ultimate value of all unpaid losses are based in part on the development of average paid losses, which reflects inflation as well. Such trends are more difficult to predict than general economic inflation. Inflation is also reflected in the reserve estimates established on reported open claims, which, when combined with paid losses, form another basis for the derivation of estimates of reserves for all unpaid losses;
- *Absence of Time Limits for Motor Third Party Data* – As motor third party claims have no time limit for reporting claims, there are no years for which completely developed claims data is available (even the earliest years have certain potential open claims and probable new intimations).

- *Changes in Actuarial Practices and the Availability of Data* –Actuarial practices and data collection have developed and improved as the insurance industry matures. Therefore, different accident years adopt different actuarial methods, based on the data available for those accident years.

Reserves Experience

A substantial share of our reserves relate to motor third-party liabilities, which tend to involve longer periods of time for the reporting and settlement of claims. This may increase the inherent risk and uncertainty associated with loss reserve development. The development of insurance liabilities determines our ability to estimate the ultimate value of claims.

The loss development tables (which are also called "reserving triangles") below show the estimate of ultimate losses, including loss adjustment expenses, at the end of each accident (occurrence) year (net of claims to be recovered from reinsurance ceded), and each accident year's provision for losses and loss adjustment expenses in subsequent years.

This estimate of losses and their corresponding provision are increased or decreased as more information becomes known about the development of losses for each accident year. The increase or decrease is reflected in the operating results during the period in which the estimate is changed. The accident year's outstanding provisions reflect remaining unpaid claims for us pertaining to the accident year, but that are yet to be settled. The following are a combination of our IBNR and IBNER provisions.

The accident year losses and expenses in the accident year tables below, as well as the reserves outstanding, do not include the arrangements previously made under the Indian motor third party insurance pool (the "**IMTPIP**"), as the IMTPIP has since been ended.

Accident Year ("AY") Tables

Incurred Losses and Allocated Expenses (Ultimate Movement)

As at September 30, 2018	AY 07-08	AY 08-09	AY 09-10	AY 10-11	AY 11-12	AY 12-13	AY 13-14	AY 14-15	AY 15-16	AY 16-17*	AY 17-18	AY 18-19 H1
	₹ in billions (except percentages)											
End Of First Year	6.52	8.69	9.24	8.85	7.67	9.60	14.15	16.64	16.30	16.54	22.21	13.66
One Year Later	6.53	8.97	9.50	8.85	7.29	9.02	13.64	16.18	15.98	16.76	21.72	
Two Years Later	6.76	9.17	9.99	8.94	7.41	8.96	13.85	15.78	16.02	16.62		
Three Years Later	7.27	9.60	10.32	9.14	7.47	9.39	13.71	15.90	15.97			
Four Years Later	7.58	9.84	10.65	9.33	7.83	9.68	13.75	15.86				
Five Years Later	7.78	9.99	10.89	9.64	7.93	9.72	13.81					
Six Years Later	7.91	10.13	11.33	9.77	8.00	9.84						
Seven Years Later	7.99	10.23	11.53	9.88	8.05							
Eight Years Later	8.03	10.39	11.67	9.88								
Nine Years Later	8.11	10.48	11.68									
Ten Years Later	8.17	10.48										
Ten and a half Years Later	8.18											
Redundancy %	25.45 %	20.70 %	26.42 %	11.69 %	4.95 %	2.49 %	(2.42) %	(4.70) %	(2.05) %	0.50 %	(2.23) %	

* The increase in ultimate liability during AY16-17 was on account of booking net premium in the crop insurance segment amounting to Rs. 1.01 billion pertaining to AY16-17, which was booked during the financial year 2018.

Unpaid Losses and Loss Adjustment Expenses

As at September 30, 2018	AY 07-08	AY 08-09	AY 09-10	AY 10-11	AY 11-12	AY 12-13	AY 13-14	AY 14-15	AY 15-16	AY 16-17	AY 17-18	AY 18-19 H1
	₹ in billions											
End Of First Year	2.36	2.36	2.83	2.75	2.93	5.50	8.22	9.59	9.18	9.90	12.62	8.88
One Year Later	0.83	0.61	0.57	1.10	1.14	3.21	5.63	6.89	6.44	7.42	9.04	
Two Years Later	0.47	0.27	0.55	0.79	0.91	2.51	4.89	5.35	5.37	6.78		
Three Years Later	0.31	0.41	0.55	0.69	0.68	2.33	3.69	4.41	4.87			
Four Years Later	0.36	0.44	0.57	0.60	0.81	1.97	2.84	4.00				
Five Years Later	0.39	0.42	0.54	0.70	0.68	1.52	2.58					
Six Years Later	0.40	0.40	0.60	0.63	0.56	1.49						
Seven Years Later	0.37	0.37	0.57	0.56	0.53							
Eight Years Later	0.30	0.39	0.56	0.50								

Nine Years Later	0.29	0.39	0.49									
Ten Years Later	0.27	0.36										
Ten and a half Years Later	0.25											

The following data is a combination of IBNR and IBNER provisions in respect of the policies underwritten by us from financial year 2008 to 2014 which we ceded to the IMTPIP and IMTPDRP which were retroceded to us upon the ending of the IMTPIP and IMTPDRP.

Underwriting Year ("UW") Tables

Incurred Losses and Allocated Expenses (Ultimate Movement)

As at September 30, 2018	UW 07-08	UW 08-09	UW 09-10	UW 10-11	UW 11-12	UW 12-13	UW 13-14	UW 14-15	UW 15-16	UW 16-17	UW 17-18	UW 18-19 H1
	₹ in billions (except percentages)											
End Of First Year							0.03					
One Year Later					4.93	0.02	0.08					
Two Years Later				4.97	4.93	0.02	0.06					
Three Years Later			5.63	4.97	4.93	0.03	0.06					
Four Years Later		4.22	5.63	4.97	4.81	0.03	0.06					
Five Years Later	4.24	4.29	6.11	5.55	4.95	0.03	0.06					
Six Years Later	4.43	4.69	6.90	5.69	5.04	0.03						
Seven Years Later	4.65	4.99	7.23	5.85	5.09							
Eight Years Later	4.85	5.15	7.51	5.88								
Nine Years Later	4.97	5.38	7.58									
Ten Years Later	5.17	5.45										
Ten and a half Years Later	5.33											
Redundancy %	25.65%	29.13%	34.57%	18.22%	3.20%	20.44%	142.92%					

Unpaid Losses and Loss Adjustment Expenses

As at September 30, 2018	UW 07-08	UW 08-09	UW 09-10	UW 10-11	UW 11-12	UW 12-13	UW 13-14	UW 14-15	UW 15-16	UW 16-17	UW 17-18	UW 18-19 H1
	₹ in billions (except percentages)											
End Of First Year							0.03					
One Year Later					4.78	0.02	0.08					
Two Years Later				4.17	4.37	0.02	0.06					
Three Years Later			3.20	3.43	3.66	0.02	0.05					
Four Years Later		1.80	2.44	2.63	2.71	0.02	0.05					

As at September 30, 2018	UW 07-08	UW 08-09	UW 09-10	UW 10-11	UW 11-12	UW 12-13	UW 13-14	UW 14-15	UW 15-16	UW 16-17	UW 17-18	UW 18-19 H1
	₹ in billions (except percentages)											
Five Years Later	1.39	1.47	2.18	2.48	2.14	0.02	0.05					
Six Years Later	1.25	1.43	2.22	1.91	1.64	0.02						
Seven Years Later	1.19	1.34	2.00	1.59	1.44							
Eight Years later	1.08	1.19	1.75	1.31								
Nine Years later	0.97	1.12	1.56									
Ten Years later	0.97	1.04										
Ten and a half Years Later	0.98											

Customer Service

Customer service is an important part of our offering to customers. In particular effective and efficient claim management systems, sophisticated and convenient technological platforms, allowing access on a wide variety of platforms, and efficient on-boarding, claim monitoring and grievance procedures are central to our business. Our focus on customer service has resulted in a continuing downward trend in our complaint ratio in the past three financial years as set out below:

Particulars	Half year ended	Financial Year		
	September 30, 2018	2018	2017	2016
Number of Complaints	323	448	1,288	1,526
Complaints Ratio (Complaints to number of policies issued)	0.00011	0.00009	0.00031	0.00039

Customer Relations

We largely interact with customers directly through our call centers, in person at our branches or through e-mail, web chat and other IT platforms connected to our website. Employees who are responsible for customer relations by any of the above means are given training in how to approach such interactions. We also use technology platforms to improve our customer service. For example, RIVA, the 'chatbot' that is integrated into our facebook page and website is able to generate policy quotations, accept claim intimations and provide claim status and documents within one minute to customers. Further we also use and integrated customer relationship management tool, 'Customer One View' which allows us to analyze customer data including interaction history and claims and policy level to provide insight in what additional or amended services may be required to meet their needs. In this manner we have recently begun the provision of a call line specifically structured for senior citizens to ensure their claims process is as amenable for them as possible. We continually seek feedback from our customers on their experience and use this information to repeatedly amend and update our services to ensure that we are providing a continually improving service.

Claims Management

We maintain separate claims management departments for each of our business segments, reflecting the specific experience required to address the needs of customers in relation to claims handled. In general all segments follow a similar procedure in handling claims. Following our initial notification of a claim, a claim manager is appointed for the claim. Cases requiring a physical loss assessment are assigned to a loss assessor who assesses and reports the loss to us. Cases not requiring a physical loss assessment are evaluated by the claim manager on the basis of documents submitted by the insured part. Following completion of the services either the service provider or the insured (in respect of 'cashless' or 'reimbursement' claims respectively) submits an invoice to us in respect of which we make payment.

Personnel from our claims management department possess expertize in a number of areas including relationship management, strategy, internal review, analytics and grievance management. Our claims management department also utilizes a number of IT platforms to enhance customer experience and simplify agent interaction. Separate platforms are used for each business segment such as 'MPlus' and 'Smart Zone' in our motor segment and 'RCare' and 'ICE' in our health insurance segment.

Investments

Typically, general insurers in India receive premiums at the point of purchase of a policy, and claims are incurred and settled later including in some cases, such as third-party motor insurance claims, a number of years later. The time lag between the receipt of such premiums and the actual payment of claims creates investable assets, which is known as 'float'. Float is an important financial characteristic that is unique to the general insurance industry and the size of our float is critical to our financial condition and results of operations. In addition to such investable assets from insurance underwriting, our total investment assets are built up through the investable pool generated from shareholders' capital and other forms of capital, such as the debentures issued by us. Our investment portfolio and investment strategy is coordinated and executed by our in-house investment team.

We define investment leverage as the ratio of our total investments assets to our net worth. The following table sets forth our total investment assets and investment leverage for the periods indicated

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
	₹in millions (except for investment leverage)			
Total Investment Assets	86,498.74	79,988.64	67,242.66	53,813.73
Net Worth	15,032.65	14,051.15	12,476.81	11,189.53
Borrowings*	2,800.00	2,300.00	2,300.00	-
Investment Leverage**	5.57	5.53	5.21	4.81

* *Such borrowings forming part of our Tier II capital.*
** *Investment leverage is computed net of borrowings.*

Our investment leverage (net of borrowings) and investment portfolio has increased over the years as indicated in the table above, which reflects our ability to generate additional investment income.

Investment policy and strategy

Our investment policy is to earn adequate and competitive returns while ensuring the safety and liquidity of funds. Our investment strategy is also governed by internal norms of prudential exposure and regulatory guidelines. Applicable regulations restrict the proportion of funds that can be allocated to specified types of investments. We consider the level of risk, expected rate of returns, nature and term of corresponding liabilities and maturity profile to be important factors in the determination of our strategic asset allocation. We also monitor credit risk, and, when necessary, establish appropriate limits to maintain a balance between safety and returns.

Our investment management is governed by the guiding principles set by our investment policy reviewed bi-annually by our Board. The investment policy sets out our asset allocation strategy to ensure financial liquidity, security and diversification. Overall such allocation strategy seeks to gain an exposure to a mix of government securities and state development loans in respect of government securities, and a mix of corporate ratings and also spreads that cater for potential future changes in interest rates in respect of corporate securities. The implementation of our investment policy is overseen by the Investment Committee of the Board, which also has the responsibility of reviewing the investment portfolio on a regular basis.

Composition

Our total investment assets include debt, equities, mutual funds, real estate and other alternative investments. As of September 30, 2018 and March 31, 2018, 43.6% and 44.7% of our total investment assets, by carrying value, respectively, were held in government securities, 52.2% and 50.3% in corporate bonds, respectively, 2.6% and 2.5% in equities, respectively, and the remaining in other investments. We also monitor and limit our exposure to any single non-government counterparty to less than 10% of our total investment assets, by carrying value, without the specific approval of our Investment Committee. Our internal exposure norms are more conservative than the limits allowed under the applicable regulations.

The following table sets forth the composition of our funds, by carrying value, at the dates indicated:

Security Type	Half year ended		As at March 31,					
	September 30, 2018		2018		2017		2016	
	Total	%	Total	%	Total	%	Total	%
	(₹ in millions, except for percentages)							
Fixed Income								
Government Securities	37,733.58	43.6%	35,779.47	44.7%	25,650.84	38.1%	17,560.04	32.6%
Corporate Bonds	45,136.02	52.2%	40,247.06	50.3%	36,630.71	54.5%	29,949.64	55.7%
Certificates of Deposit and Commercial Paper	-	-	-	-	973.21	1.4%	2,699.80	5.0%
Fixed Deposits	250.00	0.3%	250.00	0.3%	-	-	1,145.00	2.1%
CBLO	-	-	429.94	0.5%	-	-	-	-
Reverse Repo	-	-	-	-	-	-	-	-
Mutual Funds	508.24	0.6%	718.08	0.9%	2,617.23	3.9%	1,629.13	3.0%
Equity	2,208.44	2.6%	1,987.31	2.5%	1,077.79	1.6%	706.85	1.4%
Real Estate	-	-	-	-	-	-	-	-
Alternative Investments (ETF/AIF)	662.46	0.8%	576.78	0.8%	292.88	0.5%	123.27	0.2%
Total	**86,498.74**	**100.0%**	**79,988.64**	**100.0%**	**67,242.66**	**100.0%**	**53,813.73**	**100.0%**

Fixed Income

Our fixed income portfolio consists of central and state government securities, treasury bills issued by the Reserve Bank of India, corporate debentures and bonds, money market instruments, CBLO, reverse repo and mutual funds. Fixed income securities (other than our investments held through mutual funds) are not marked to market in our profit and loss account statement and for the purposes of determining solvency levels, allowing us to take a medium to long-term view in connection with our investments. We aim to maintain a fixed income portfolio composition of high asset credit quality.

The following table sets forth the credit ratings of our fixed income portfolio, by carrying value, at the dates indicated:

Domestic Rating	Half year ended		As at March 31,					
	September 30, 2018		2018		2017		2016	
	Total	%	Total	%	Total	%	Total	%
	₹ in millions (except for percentages)							
AAA*	26,982.43	32.3%	23,518.12	30.4%	21,307.92	32.3%	21,698.23	41.0%
AA or AA+	17,736.12	21.2%	14,926.83	19.3%	14,832.62	22.5%	9,576.44	18.1%
AA- or lower	417.47	0.5%	1,802.12	2.3%	1,463.39	2.2%	1,374.78	2.6%
Sovereign	37,733.58	45.1%	35,779.47	46.2%	25,650.84	38.9%	17,560.04	33.1%
Fixed Deposits, Reverse Repo, CBLO and Mutual Funds**	758.24	0.9%	1,398.01	1.8%	2,617.23	4.1%	2,774.13	5.2%
Total	**83,627.84**	**100.0%**	**77,424.55**	**100.0%**	**65,872.00**	**100.0%**	**52,983.62**	**100.0%**

* Mutual Funds (excluding alternative investment funds) are shown at market value.
** Includes securities rated P1+/A1+.

The duration of our fixed income assets is varied, with our corporate bonds generally having a lower duration than that of our government securities. The following table sets forth our fixed income assets, by carrying value, based on their maturity dates indicated:

Maturity	Half year ended		As at March 31,					
	September 30, 2018		2018		2017		2016	
	Total	%	Total	%	Total	%	Total	%
	₹ in millions (except for percentages)							
Up to one year	14,617.10	17.5%	15,489.92	20.0%	13,496.98	20.5%	13,331.10	25.1%
More than one year and up to three years	14,162.88	16.9%	14,556.84	18.8%	14,613.72	22.2%	12,278.30	23.2%
More than three years	33,641.39	40.2%	22,605.57	29.2%	24,065.33	36.5%	15,514.06	29.3%

Maturity	Half year ended		As at March 31,					
	September 30, 2018		2018		2017		2016	
	Total	%	Total	%	Total	%	Total	%
	₹ in millions (except for percentages)							
and up to seven years								
More than seven years and up to 10 years	9,164.61	11.0%	9,478.49	12.2%	7,524.86	11.4%	5,127.57	9.7%
Above 10 years	12,041.86	14.4%	15,293.73	19.8%	6,171.11	9.4%	6,732.59	12.7%
Total	**83,627.84**	**100.0%**	**77,424.55**	**100.0%**	**65,872.00**	**100.0 %**	**52,983.62**	**100.0%**

Equities

We invest in equities with the objective of long-term returns with a focus on value stocks. Equities are accounted for on a marked-to-market basis for the purposes of determining solvency levels. We use our equity exposure to optimize our portfolio returns. We do not have exposure to unlisted equities. We cap our exposure to equities to a proportion of our net worth.

Alternative Investments

We have minimal exposure to alternative investments, which include private equity funds, venture capital funds, real estate funds and securitized receipts. Our exposure to alternative investments is thus far restricted to fixed income assets as underlying and to Infrastructure Investment Trusts.

Investment Performance

The following table sets forth the investment income and return for periods indicated:

Particulars	Half year ended September 30, 2018	Financial Year 2018	Financial Year 2017	Financial Year 2016
	(₹ in millions, except for percentages)			
Realised investment income	3,286.96	5,959.76	6,103.49	5,234.90
Realised return (annualised)	7.8%	8.1%	9.8%	9.7%
Total portfolio return (including unrealised gains)	2.2%	6.1%	10.7%	8.6%
Total listed equity return (including unrealised gains)	-12.4%	0.9%	28.3%	-5.8%

Our long-term oriented total return approach has produced consistent investment performance across interest rate and equity market cycles.

For the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, our equity portfolio returns (including unrealized gains) were -12.4%, 0.9%, 28.3% and -5.8%, respectively. For the same periods, the Nifty index returns were 16.1%, 10.3%, 18.5% and -8.9%, while the BSE Sensex returns were 19.7%, 11.3%, 16.9% and -9.4%, respectively.

Our total return approach allows us to build a stronger financial position over time and enhances our ability to allocate investments to long-term assets.

The following table sets forth details of investment yield (weighted based on closing portfolio) for the periods indicated:

Particulars	Half year ended September 30, 2018	Financial Year 2018	Financial Year 2017	Financial Year 2016
Portfolio Yield	7.9%	7.8%	8.0%	8.6%

.

The following table sets forth our industry wise investment exposure in equities and bonds, for the periods indicated:

Exposure to Industry By Sector (Equity and Bonds)	Half year ended September 30, 2018		March 31, 2018		March 31, 2017		March 31, 2016	
	₹ in millions	% of total investments	₹ in millions	% of total investments	₹ in millions	% of total investments	₹ in millions	% of total investments
Financial and Insurance	19,732.12	22.8%	18,462.78	23.1%	16,685.04	24.8%	13,335.01	24.8%
Housing Sector	10,815.05	12.5%	9,240.52	11.6%	8,522.57	12.7%	7,727.07	14.4%
Infrastructure	9,364.41	10.8%	7,140.90	8.9%	7,199.48	10.7%	5,096.65	9.5%
Others	46,587.16	53.9%	45,144.44	56.4%	34,835.57	51.8%	27,655.00	51.3%
Total Investments (Book Value)	**86,498.74**	**100.0%**	**79,988.64**	**100.0%**	**67,242.66**	**100.0%**	**53,813.73**	**100.0%**

In accordance with IRDAI Preparation of Financial Statements Regulations all insurers are required to account for equity and mutual fund investments at fair value. All listed equity securities traded in the active markets are to be measured at fair value on the balance sheet date. Measurement for the purpose of calculation of fair value is the last quoted closing price on NSE. However, in the event an investment is not being listed on the NSE, an insurer may value the shares based on the last quoted closing price on the BSE. All mutual funds and AIFs are valued at latest available NAVs. Investment cost is computed on volume weighted average basis. The purchase price in case of equity is computed after capitalizing brokerage and other transaction cost and taxes on such transactions. The NAV at which the mutual fund instrument is purchased forms the purchase price for such mutual fund. The unrealized gain is the difference between fair value and book cost.

All debt securities including government securities, debentures, bonds, zero coupon bonds, certificates of deposit and commercial paper are valued at cost subject to amortization.

Risk Management

We are exposed to several risks related to our business and operating environment and risk management forms an integral part of our business. We have developed a robust risk management framework to manage enterprise-wide risks.

Risk Management Framework

We have established a risk management framework to help us identify, assess, monitor and eliminate or mitigate various enterprise related risks. Our risk management framework is overseen by our Risk Management Committee and our Head ERCG is responsible for its implementation and management. We have a Risk Management Policy, which sets out the roles and responsibilities of our Risk Management Committee and Head ERCG. This policy is approved by our Board and reviewed periodically.

We have an enterprise risk management department that prepares an enterprise risk management report on a quarterly basis and submits such reports to our Board and Risk Management Committee. These enterprise risk management reports include the status of existing risks and periodically set out details of emerging risks.

Enterprise-wide Risks and Mitigation Strategies

We have identified and categorized enterprise-wide risks in our business as follows:

Credit Risk

Credit risk is the risk of loss resulting from the failure of our obligors or counterparties to perform or timely perform their contractual obligations or the deterioration in the credit profile of relevant parties. Credit risk arises predominantly with respect to investments in debt instruments, insurance contract receivables, recoverable from reinsurers and receivables from counterparties. See "*Risk Factors—Internal Risk Factors—Credit risks in our day-to-day operations, including in our reinsurance contracts, may expose us to significant losses*" on page 44 and "*Risk Factors—Internal Risk Factors— Credit risks related to our investments may expose us to losses and have an adverse effect on our financial condition*" on page 37.

To mitigate credit risks, all our investments are made in accordance with applicable IRDAI investment regulations and we have maintained a consistent investment philosophy with a long-term objective to protect policyholders' funds. We seek to mitigate investment related credit risks by investing in long-term fixed income securities. As at September 30, 2018 and March 31, 2018, 77.4% and 76.6% of our fixed income portfolio (including mutual funds), by carrying value, respectively, was comprised of sovereign or domestically AAA rated securities.

In addition, our reinsurance exposure is well balanced with proportional and non-proportional reinsurance contracts. A significant proportion of our reinsurance contracts are placed with reinsurers rated A- and above (S&P or equivalent international rating). As of September 30, 2018 and March 31, 2018, 78.3% and 79.5% of our reinsurance was placed with such reinsurers. Further, we regularly monitor receivables from counterparties such as reinsurers, coinsurers and Government bodies.

Market Risk

Market risk is the risk of sensitivity to adverse changes in values of financial instruments resulting from fluctuations in foreign currency exchange rates, interest rates, property prices and equity prices. While a majority of our investments are invested in fixed income assets, we also have exposure to foreign currency exchange rates, property prices, equity prices and certain other rates. We also face some liquidity risk since some of our investments are in illiquid assets. See "*Risk Factors—Internal Risk Factors—Our investment portfolio is subject to liquidity risk which could decrease its value*" on page 38.

To mitigate market risks, we diversify our investments to reduce the impact of adverse market movements on our investment portfolio. Most of our assets are held in fixed income securities whose value does not fluctuate with market rates as we are only required to recognize realized losses.

In addition, our asset liability management framework and liquidity management assists in maintaining sufficient assets to meet our current and long-term liabilities. Claims liabilities are estimated using actuarial analysis of different product classes to build up reserves, which are checked on a quarterly basis. We maintain an adequate liquidity position in order to meet any sudden claims by allocating a portion of our investment assets in short-term instruments in proportion to our expected short term liabilities, such that we can liquidate a substantial portion of our investment portfolio without suffering significant market losses due to such sale.

Underwriting Risk

We consider business risk to be the inherent risk in our business of the payments we are required to make following claims made by customers purchasing our insurance products. Those payments may at any time increase, in particular as a result of significant catastrophic events affecting large numbers of people. See "*Risk Factors*" on page 21.

To mitigate business risks, we ensure a balance of underwriting business across multiple product classes with a geographical spread and sourced through a variety of intermediary channels and direct business. Our Underwriting Policy determines pricing and retention levels for each product class and corresponding reinsurance arrangements for effective risk transfer. Claims reserves are determined using actuarial methods and are periodically evaluated by analyzing historical development of development of paid, outstanding and IBNR reserves. Our underwriting risk management includes the use of actuarial methods and models, as well as historical loss development triangles, to assist in the establishment of appropriate claim reserves. We also purchase catastrophic reinsurance based upon our risk retention policy and periodically use models to simulate various disaster scenarios and stress test our exposure. In addition, adequacy or reserves are checked on a quarterly basis.

Operational Risk

Operational risks are risks related to operational execution and include, among others systems risk, fraud risk, legal risk, compliance risk, process risk and outsourcing risk. See "*Risk Factors*" on page 21.

To mitigate operational risks, we aim to move towards automation of processes and we have established various IT systems to minimize operational risks. We monitor the risk of fraud through a mix of portfolio and claims analysis. We have established controls to assess various triggers and patterns for fraud and have deterrence and loss minimization controls in processes related to sourcing of business and claims management. We have an Information Security Policy to monitor and mitigate information security breaches, data loss prevention and other cyber security related risks.

In addition, we have established a risk control matrix in accordance with our "Internal Control over financial reporting" guidelines to identify risks associated with major and critical processes and have established controls to mitigate these risks.

Compliance

In order to ensure compliance with laws and regulations applicable to us, we have formulated various policies and procedures, including a code of conduct, a whistle-blower policy and code of conduct for personal investments. Our compliance framework is overseen by our Board through the Audit Committee. Our compliance department creates company-wide awareness regarding relevant laws and regulations on requirements by the IRDAI.

We conduct risk-based audits where the periodicities of audits are determined through a Board approved annual audit program. All audit findings are regularly reviewed to improve the control environment and key findings are reported to our Board on a quarterly basis.

We also have an internal audit department that is responsible for reviewing, monitoring and testing our risk control matrix. In addition, we conduct a quarterly compliance audit.

We have adopted a risk-based internal audit strategy pursuant to which we conduct an audit of various branches, functions and entities. The frequency of such audits depend on our vulnerability to perceived risks and the critical nature of respective functions. We have assigned suitable weightages to various risk parameters and we select branches for audit during a particular financial year based on a risk score that is derived along with other incidental reports.

Based on the various audit reports submitted each quarter, key audit findings for the quarter are prepared and management response is sought for such findings. These key audit findings are presented to our audit committee along with an action report detailing steps taken to resolve various issues that were noted during the course of the audit.

We have established an asset liability management framework based on our Asset Liability Management Policy, which is approved by our Board. Asset-liability management is critical for management of our finances that are invested to meet our future cash flow needs and capital requirements. We also conduct stress testing based on applicable IRDAI regulations and assess the overall impact of different stress scenarios on our financial position and solvency margin.

Information Technology

Our information technology capability is critical to the efficient operation and performance of our business and one of the key contributors to our success as well as our future growth. The technological platforms on which we operate have a significant impact on our marketing, sales, competitiveness, internal procedures and client service. For the half year ended September 30, 2018 and the financial years 2018, 2017 and 2016, we spent ₹170.34 million, ₹375.63 million, ₹362.30 million and ₹362.27 million on our IT infrastructure, respectively.

We have developed a core set of technology-driven capabilities for distribution and servicing of general insurance products. These capabilities are powered by a robust IT architecture, which helps in the creation of new services and integration between applications internally, as well as with external systems. We have systems focused on capturing data at all key touchpoints and delivering business management information systems on a consistent basis. Customer and risk data is also sourced from public databases such as Vaahan and Aadhaar.

Our key IT systems that provide policy sourcing and servicing functions are set forth below:

Policy Administration: Personal line policies such as motor, health, travel, personal accident are issued from bespoke custom-built applications. Commercial line policies such as fire and engineering are issued from a policy administration system product, Genisys Configurator. Policy administration covers new business, endorsements and renewal processing. Re-insurance (treaty-based and facultative) is setup in the Genisys

Configurator.

Claims Management: We use custom-built claims applications for motor, health and commercial lines. Claims are intimated by customers and channel partners using multiple channels such as call centers, our website and through our agents and brokers.

Customer Service: We use an integrated CRM solution for multi-channel customer interactions. We use a program, 'Customer One View', which provides a unified view of policies and claims of customers and we use "chatbots" for automating service needs. We also provide a range of "do-it-yourself" services for customers and channel partners.

Our key technology solutions include:

Mobile point of sale: Our field sales agents use a mobile application to issue retail policies. The agents also utilize a dongle where credit and debit cards can be swiped to collect the premium.

Secured electronic policy: All policies issued by us have security features such as a two dimensional barcode and a digital signature, which makes documents difficult to tamper with. Renewal notices have a QR code, which enables instant renewal on our mobile site.

Online claim intimation: In order to facilitate the process of making a claim, we have enabled a process for making claims online where customers can create intimations and track the status of their claims.

Video streaming for motor Claims: To assist us with management and faster processing of claims, our motor surveyors and claim managers perform on- field assessments of damaged vehicles through a mobile application using real-time video streaming.

Web and mobile site: Our customers can obtain quotes and purchase policies through our web and mobile sites. We also provide a host of self-service options for obtaining duplicate policies, tracking claims status, searching for our branches and partner networks of motor garages and hospitals, and obtaining tax certificates for health policies.

In-house health claims management: We have an in-house health claims management team, which utilizes an integrated health claims management system. The system provides for both, cashless and re-imbursement modes of claims settlement along with options to make queries, raise suspected fraud alerts, manage investigations and customer grievance redressal.

Daily commission: Our sales channel partners enter into agreements with us pursuant to which commissions can be released at any agreed time interval. We also provide online commission statements.

Crop & Weather Insurance: In order to service our weather and crop insurance segment and the large number of customers it caters to, we have developed certain applications intended to facilitate the enrollment of such large numbers of individual customers of such products, their claims and other on-going interactions with them.

In addition, we rely on IT systems to issue quotations and polices in a quick and efficient manner, to provide multiple payment options including electronic payments, track upcoming renewals as well as direct interface to our IT support team.

To assist us with our sales function, we equip our sales managers and channel partners with reports to analyze sales performance (target versus achievement, trends over time), claims status, renewal retention and commission statements.

Competition

We face significant competition in the Indian insurance market from both public and private-sector competitors. Competition in the Indian insurance sector is based on a number of factors, including brand recognition and the reputation of the provider of products and services, customer satisfaction, underwriting and pricing of risks, distribution network and access to services and service personnel, pricing and quality of services, product design and diversification, financial strength and information technology capabilities. Some of our competitors also have competitive strengths based on operating experience, capital base and product diversification.

Within the general insurance industry in India, there were 31 other public and private-sector general insurers operating as at September 30, 2018. Our primary competitors are the major public-sector general insurers - The New India Assurance Company Limited, United India Insurance Company Limited, National Insurance Company Limited and Oriental Insurance Company Limited - and private-sector general insurers. We also face competition from specialized insurers, including health and agricultural insurers.

Employees

As of December 31, 2018, we had 3,052 employees. We strive to maintain a work environment that fosters professionalism, integrity, excellence and cooperation among our employees. Our agents are not our employees. The following table sets forth details of our employee as of December 31, 2018:

Particulars	Number of Employees
Sale and Distribution	1,862
Underwriting and Claims	730
Other Support Functions	460
Total	**3,052**

Corporate Social Responsibility

We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Central Government. Key social welfare initiatives recently undertaken by us include our Ek Haath Shiksha Ki Or initiative taking place on Teacher's Day, consisting of employees visiting children's homes and donating stationary and eye check-ups.

Property

Our registered office is located at H-Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710 and corporate office is located at Reliance Centre, South Wing, 4th Floor, Off Western Express Highway, Santa Cruz (East), Mumbai 400 055. As of December 31, 2018, our operations were spread across 25 states and one union territory in India (as per the Central Goods and Services Tax Act, 2017) through our 143 offices (comprising 131 branch offices and 12 regional offices), which are operated from leased premises.

Insurance

We have obtained insurance policies to cover our assets against losses from fire, burglary and risks to our property. Additionally, we maintain a group term insurance policy, a group personal accident policy and a group health insurance policy to cover the medical expenses incurred by our employees during hospitalization, for any illness or injury suffered. We also maintain coverage for directors' and officers' liability insurance.

Intellectual Property

Our intellectual property includes trademarks associated with our business and we have registered ten trademarks associated with our business. We regard our trademarks as important to our success. We have made applications for registration of one trademark in accordance with the Trademarks Act, 1999. For details, see "*Government and other Approvals*" on page 372.

We are permitted to use certain word marks, including 'Reliance', 'Reliance General Insurance' and logos thereof by Anil Dhirubhai Ambani Ventures Private Limited under the terms of a brand license agreement dated October 1, 2014. Under this agreement, the licensor has the right to terminate the agreement for certain reasons, including a significant breach by the Company, which includes a change in control (as defined in the agreement) of our Company.

REGULATIONS AND POLICIES

The following description is an indicative summary of certain sector specific key laws, guidelines and regulations in India, which are applicable to our Company. The information detailed in this section has been obtained from publications available in the public domain. Laws, guidelines and regulations, as amended, set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed as nor intended to be a substitute for professional legal advice.

The Insurance Act and the IRDA Act

The Insurance Act along with the various regulations, guidelines and circulars issued by IRDAI, govern, amongst other matters, registration of the insurers, opening of new places of business, accounts and balance sheet, audit of financial statements, actuarial report and abstract, insurance intermediaries and agents, investment of funds, valuation of assets and liabilities, solvency margins to be maintained by the insurer, restriction on dividends, limits on expenses of management, commission and/or remuneration and/ or rewards payable to insurance agents and intermediaries, requirement to be Indian owned and controlled and obligation of insurers in respect of motor third party insurance business. The IRDAI came into existence by virtue of promulgation of the IRDAI Act to regulate, promote and ensure orderly growth of the insurance sector in India and to protect the interests of policyholders.

Under the Insurance Act, insurers are required to be registered with the IRDAI for carrying out any class of insurance business, including general insurance in India. The Insurance Act stipulates, among other things, certain requirements with respect to the capital structure for insurers including minimum paid-up equity capital and equal voting rights. Insurers are required to maintain records of policies, including the details of policyholders, nominations of claims, details of discharge or rejection of claims, register of insurance agents, etc. Under the Insurance Act, an Indian insurance company is obligated to be "Indian Owned and controlled". Additionally, in terms of the Foreign Investment Rules, the term "Indian Control of an Indian Insurance Company" has been defined to mean control of such Indian insurance company by resident Indian citizens or Indian companies-, which are owned and controlled by resident Indian citizens. The term "control" has been defined in the Insurance Act to include the right to appoint a majority of the directors or to control management or policy decisions including by virtue of shareholding management rights shareholders agreements or voting agreements. The term "Indian Ownership of an Indian Insurance Company" has been defined in the Indian Insurance Companies (Foreign Investment) Rules 2015 as more than 50% of the equity capital in a company which is beneficially owned by Indian residents or Indian entities which are owned and controlled by resident Indian citizens. Further, a general insurance company is required to have capital consisting of equity shares each having a simple face value and such other form of capital as may be specified by regulations. The voting rights of the shareholders are required to be restricted to such equity shares and to be proportionate to the paid-up equity share capital held by them. As regards to investments of assets, the Insurance Act mandates insurers to keep invested assets in a prescribed manner in Government securities and such other approved investments. Further, the Government securities and other approved securities where assets are to be invested are required to be held by the insurers free of any encumbrance, charge, hypothecation or lien. Certain restrictions on investments of assets and controlled fund have also been prescribed, including investment in shares or debentures of a private limited company. IRDAI has issued the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 and the Master Circular on Investments, 2017 which replaced the Investment Regulations issued in 2000. See "*Regulations and Policies*" on page 175.

Further, any appointment, re-appointment or termination of appointment or amendment of the terms of remuneration, of a managing or whole-time director, executive directors, manager or chief executive officer of an insurance company requires the prior approval of the IRDAI.

IRDAI has specified norms for issuance of capital which require insurers to obtain prior approval of the IRDAI for issuance of capital by way of public issue or any subsequent issue of equity shares.

The Insurance Laws (Amendment) Act, 2015 ("Amendment")

The Amendment has introduced several changes in the scheme of the Insurance Act, amongst other things, in relation to ownership and control, capital, enhancement of administrative and enforcement powers and responsibilities of IRDAI. Additionally, the Amendment also encourages electronic form of policy records and claims. The Amendment provides that every insurer shall, in respect of all business transacted by him, endeavour to issue policies above a specified threshold in terms of sum assured and premium in electronic form, in the manner and form to be specified by the regulations made under this Act.

As regards foreign investors, the cap on aggregate holding of equity shares by foreign investors, including portfolio investors, has been raised to 49% of paid up capital from the erstwhile 26% and insurance companies are required to be Indian owned and controlled. Accordingly, the ownership as well as the control are required to remain in Indian hands. Further, the Amendment has permitted insurers to raise capital through instruments other than equity. In this regard, IRDAI has issued regulations, titled The IRDAI (Other Forms of Capital) Regulations, 2015 which permit insurers to raise capital by way of preference shares and subordinated debt instruments after obtaining prior approval from the IRDAI. The Amendment empowers the insurance companies to appoint agents subject to fulfilment of the criteria stipulated by IRDAI. The Amendment has further accorded powers to IRDAI to regulate the commission payable to the agents and intermediaries through appropriate regulations.

The Amendment has extended the powers of the IRDAI for regulating various day to day operations and activities of insurance companies by issuing regulations with respect to the same. In furtherance to the Amendment, the IRDAI has issued regulations and guidelines on registration and licensing of insurance companies, investments, pricing of put or call options in joint venture agreements where one of the joint venture parties is a foreign entity, assets liability and solvency margin requirements, insurance agents and intermediaries, corporate governance requirements, transfer of shares, opening, closure and relocation of branches, expenses of management, advertising, accounting procedure and reporting formats, granting of loans and advances, maintenance of records, obligation of insurer in respect of motor third party insurance business, reinsurance and outsourcing of activities.

The Amendment has included new definitions like health insurance business and reinsurance and modified the definition of Indian insurance company to include health insurance business. Further, the Amendment has simplified the process of payment to nominee of policyholder and has also vested the policyholder with a power to assign an insurance policy, wholly or in part, provided that such assignment is bona fide , in the interest of the policyholder not contrary to public interest and not for the purpose of trading of the insurance policy. The Amendment has entrusted the Securities Appellate Tribunal in the interest of the policyholder with the power to entertain appeals against the orders relating to investigation/inspection conducted by IRDAI.

The Amendment has removed various clauses in the Insurance Act including the sections relating to acceptance of deposits by insurance companies, appointment of chief agent and principal agent, divesting excess shareholding above 26% by promoters, etc. The Amendment has enhanced the quantum of penalties for insurers with respect to contravention of the provisions of the Insurance Act. The penalties range from ₹ 0.1 million for each day during which contravention continues to ₹ 10 million to ₹ 250 million for different kinds of violations. A person who carries on the business of insurance without obtaining a certificate of registration may additionally be punishable with imprisonment extending to 10 years.

Certain regulations prescribed by the IRDAI

Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015

These regulations shall be applicable to the Applicant Company to raise funds under the ICDR regulations through any of the following options:

(i) Divestment of Equity by one or more of the promoters of investor(s) through public offer for sale under the ICDR Regulations.
(ii) Issue of Capital under ICDR Regulations; or
(iii) Both (i) and (ii)

Specific prior approval of the Authority is required for any issue of capital other than as specified in (i), (ii) and (iii), including transfer of shares beyond the specified limit as laid down 6A (4)(b)(ii)(iii) of the Act.

These Regulations came into force from December 15, 2015 and prescribe the manner and procedure of application to the IRDAI, criteria to be evaluated by the IRDAI for grant of prior approval and the power of IRDAI to issue directions in connection with the issuance of capital by Indian Insurance Companies transacting other than life insurance business. These regulations are applicable to unlisted insurance companies also. The Validity of the approval of the IRDAI for issue of capital shall be 1 (one) year from the date of the approval letter, within which the applicant company will have to file a Draft Red Herring Prospectus (DRHP) with SEBI under the SEBI ICDR Regulations. IRDAI may, on written request from the applicant company, extend the validity by a further period of 6 months.

An Applicant Company seeking issue of capital/make an offer for sale under these Regulations shall make the following disclosures in the offer document. These disclosures shall be in addition to the prescriptions laid down by SEBI in the ICDR Regulations and shall not be seen in derogation from requirements prescribed by SEBI:

a. Risk Factors
b. Overview of Insurance Company;
c. Disclosure of Financial Statements;
d. Glossary of terms used in the insurance sector;
e. Particulars of the Issue;
f. Particulars about the Issuer;
g. Legal and Other Information.

Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015

As regards transfer of equity shares, insurers are required to obtain prior approval of the IRDAI in the event (i) the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, or (ii) the nominal value of equity shares intended to be transferred by any individual, firm, group, constituents of a group or body corporate under the same management, jointly or severally, exceeds 1% of the paid up capital of the insurance company. The above stated regulatory prescriptions have also been stipulated under the IRDAI (Transfer of Equity Shares of Insurance Companies) Regulations, 2015. In case there are one or more investors (excluding foreign investors) in an insurance company, an investor cannot hold more than 10% of the paid up equity share capital of such insurance company. Further, all such investors, excluding foreign investors, jointly are permitted to hold a maximum of 25% of the paid up equity share capital of such insurance company. The IRDAI has prescribed relevant regulations in this regard. Additionally, the IRDAI has issued the "Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016", which are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. Accordingly, the transfer of equity shares in insurance companies shall be in the manner as prescribed under the aforementioned guidelines. For further details, see "- *The Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016 ("Listed Indian Insurance Companies Guidelines")*" on page 184.

Insurance Regulatory and Development Authority of India (Registration of Indian Insurance Companies) Regulations, 2000 ("Registration Regulations")

On March 21, 2016, the IRDAI notified the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) (Seventh Amendment) Regulations, 2016 which overhauled substantial provisions of the Registration Regulations. The Registration Regulations, as amended from time to time prescribe the manner and procedure for obtaining registration for undertaking insurance business in India. The Registration Regulations also lays down the provisions relating to renewal, suspension and cancellation of registrations. Further, the insurer is required to pay an annual fee to the IRDAI in accordance with the regulations.

Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016 ("ALSM Regulations")

The ALSM Regulations prescribes the procedures to be followed for determining the value of assets, liabilities and solvency margin of insurers. Further, the ALSM Regulations require insurers to prepare a statement of valuation of assets, determine amount of liabilities and solvency margin of insurers in the formats prescribed under the regulations on an annual basis. An insurer is required to maintain its available solvency margin at a level which is not less than the higher of (i) 50% of the amount of minimum capital as prescribed under the Insurance Act; and (ii) 100% of the required solvency margin.

An insurer is required to maintain a control solvency margin as stipulated by the IRDAI, which currently is a solvency ratio of 150%. In this regard, the Insurance Act prescribes that if at any time the insurer is not able to maintain the required control level of solvency margin, the IRDAI may require such insurer to submit a financial scheme indicating a plan of action to correct the deficiency within a specified period not exceeding six months.

Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017 ("Protection of Policyholders' Interests Regulations")

On June 30, 2017 the Protection of Policyholders' Interest Regulations came into effect and superseded the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002. The Protection of Policyholders' Interest Regulations prescribes specifications with respect to various aspects including insurance product solicitation, grievance redressal, and claim settlement, which are required to be complied by all insurers in order to protect the interests of policyholders. It mandates insurers to have in place a policy approved by its board of directors, which is required to provide the steps that an insurer proposes to take for matters such as insurance awareness, expeditious resolution of complaint, and preventing mis-selling and unfair business practices at point of sale and service. The Protection of Policyholders' Interest Regulations prescribe the form and content requirements that are required to be fulfilled by insurers in relation to their policy documents, proposal forms and prospectuses. The insurers are mandated to disclose in their policy documents all material information such as the terms and conditions of a policy, details of premium payable, free look period, requirements to be fulfilled for lodging a claim, coverage of the policy, exclusions, grounds for cancellation, and details of grievance redressal mechanism available to policyholders. Further these regulations set out the procedure that is required to be followed by insurers for expeditiously settling any claims made by a policyholder.

Insurance Regulatory and Development Authority of India (Appointed Actuary) Regulations, 2017

The Appointed Actuary Regulations state that a general insurer shall not carry on business of insurance without an appointed actuary and require that the insurers appoint a person fulfilling the eligibility requirements, to act as an appointed actuary, after seeking the approval of the IRDAI in this regard. The appointed actuary needs to keep available all the records of the company to conduct actuarial valuation of the liabilities and assets of the insurer, express opinions on the underwriting policy, reinsurance arrangements and effective implementation of risk management systems and pay due regards to generally accepted actuarial principles while carrying out any task. The appointed actuary of a general insurance company is also required to inter alia, ensure that the premium rates of insurance products are fair and the actuarial principles have been creed in determination of IBNR, IBNER and other reserves.

Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") and the Master Circular on Investments, 2017

IRDAI by virtue of gazette notification dated August 1, 2016 issued the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**") which supersedes the erstwhile Investment Regulations issued by IRDAI in the year 2000. These IRDAI Investment Regulations are effective from March 31, 2017. The IRDAI Investment Regulations have primarily laid down the category of "approved investments" which was earlier defined in the Insurance Act. Additionally, the IRDAI Investment Regulations have modified the composition of investment committee and prescribed certain changes in investment pattern and exposure norms for an insurer.

The IRDAI Investment Regulations prescribe the manner and limits with respect to the investment of the assets of a general insurer including an insurer carrying on business of reinsurance or health insurance. Maximum exposure limits for a single "investee" company, group of investee companies and for the industry sector to which the investee company belongs to have been defined. Additionally, limits at various asset classes and exposure to credit instruments including limits based on credit ratings have also been prescribed. The IRDAI Investment Regulations prohibit replacement of appropriate risk analysis and management on the part of the insurer in lieu of credit ratings.

Insurers are also required to implement investment risk management systems and processes which are to be a certified by a chartered accountant firm and are required to be audited at least once at the beginning of every two financial years. The IRDAI Investment Regulations also stipulates certain Investment Management mechanism, including constitution of an investment committee, formulating of an investment policy, risk management and audit and reporting to the Board/ Committees thereof. Further, the net asset value as declared by the insurer shall be subject to a daily concurrent audit. The insurer is also required to adopt a model code of conduct, duly approved by its board of directors, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016 ("EOM Regulations")

The EOM Regulations prescribe the limit and scope of the expenses of the management in general insurance or health insurance business, i.e. all operating expenses including commission/brokerage payable to intermediaries. The EOM Regulations prescribe the percentage of the allowable expenses under various segments of general insurance business and the insurers are obligated to ensure that the expenses of management are within the allowable limit. The EOM Regulations provide that for any violation of such limits, the IRDAI may inter alia, direct the excess expense to be charged to the shareholder's account or impose restrictions on payment of performance incentives to the managing directors / chief executive officers, whole time director and key management persons.

Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015

The Regulations create an obligation on the insurers to undertake such percentages of general insurance business in the rural and social sector as prescribed in the Regulations. These regulations prescribe the percentage of gross premium income to be underwritten (direct) in the respective year with respect to rural sector by general insurance companies. Similarly the regulations also provide the percentage of lives to be insured in social sector (computed on the total business procured in the preceding financial year and applicable to all insurers).

Insurance Regulatory and Development Authority of India (Insurance Advertisements and Disclosure) Regulations, 2000 and Master Circular on Insurance Advertisements, 2015

The Advertisement Regulations prescribe certain compliances and controls in relation to insurance advertisements issued by insurers, intermediaries or insurance agents. The insurers are required to establish and maintain a system of control over the content, form and method of dissemination of all advertisements relating to the insurance products offered to the prospects. Such advertisements are required to be filed with the IRDAI within seven days after its release. Insurers are also required to ensure that advertisements are not unfair or misleading while at the same time, it should clearly identify the insurance product, describe benefits as detailed in the provisions of the policy and indicate the risks involved. In addition to the Advertisement Regulations, IRDAI has issued a master circular dated August 13, 2015 prescribing the minimum standards (including do's and don'ts) to be adhered by the insurers and insurance intermediaries while publishing insurance advertisements. Further, every insurer, intermediary or insurance agent is required to maintain an advertisement register and maintain specimens of all advertisements for a minimum period of three years.

Insurance Regulatory and Development Authority of India (Reinsurance) Regulations, 2018 ("IRDAI Reinsurance Regulations"), Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015

In terms of the Insurance Act, insurers are obligated to reinsure with Indian reinsurers such percentage of sum assured on each policy, as notified by IRDAI from time to time, however, such percentage should not exceed 30% of the sum assured on such policy. As per the IRDAI Reinsurance Regulations, every general insurer is required to prepare a reinsurance programme which should commence from the beginning of every financial year and the insurer is required to file the board approved reinsurance program 45 days before the commencement of financial year. The objective of the reinsurance programme as under the Insurance Regulatory and Development Authority of India (Reinsurance) Regulations, 2018 to (a) develop adequate capacity and maximum retention within the country;(b) secure the best possible re-insurance coverage required to protect the interest of the policyholders and at a reasonable cost; and (c) simplify the administration of business.maximising retention within the country. The insurers are required to ensure that the reinsurance arrangements in respect of catastrophe accumulations are adequate and the details of catastrophe modelling and basis on which quantum of catastrophe protection is purchased needs to be incorporated in the reinsurance programme.

Every Indian insurer is required to submit to IRDAI, soft copies of every re-insurance contract, the list of re-insurers with their credit rating, their shares in the proportional and non-proportional re-insurance arrangement, while also maintaining hard copies of such documents for the period specified under applicable regulations and make them available for inspection by IRDAI. Further, the IRDAI Reinsurance Regulations, *inter alia* require every insurance company to maintain the maximum possible retention in commensuration with its financial strength, quality of risks and volume of business, ensure that the re-insurance arrangement is not fronting and formulate a suitable board approved insurance segment-wise retention policy.

The Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015 specify the eligibility criteria for registration of the branches of foreign reinsurers in India, including obtaining approval from their home country regulator, registration in a national regulatory environment, minimum net owned fund, minimum credit rating, solvency margin, minimum assigned capital, existence of double taxation avoidance agreement of the home country of the reinsurer with the Government of India as prescribed by IRDAI. Further the Regulation also prescribes the stipulations governing the order of preference of cession by the Indian insurers.

Guidelines on Product Filing Procedures for General Insurance Products, 2016 (the "Product Filing Guidelines")

The Product Filing Guidelines provides regulatory framework for the 'file and use' procedures and 'use and file' procedures for general insurance products in India. As per the Guidelines the insurers are required to classify the products into 'retail' or 'commercial' products and accordingly the insurers may either apply under 'File and Use' or 'Use and File' procedures. All the retail and commercial products need to be filed with IRDAI before they are marketed. The Guidelines lay down guiding principles for product design, product filing and rating. Further, the Guidelines specify the compliance requirement common to both 'file and use' and 'use and file' procedures along with the documents required to be filled with respect to the same. The Guidelines also specify the manner of product management, maintenance of records, furnishing of information, etc.

The Guidelines requires the insurer to set up a Product Management Committee (PMC) to ensure quality product design, filling with complete compliance of regulatory requirement and performance review. The composition of the PMC and the role of its members are specified in the Guidelines.

Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016 ("Health Insurance Regulations"), Guidelines on Standardisation in Health Insurance and Guidelines on Product Filing in Health Insurance Business

The Health Insurance Regulations are applicable to all registered life insurers, general insurers and health insurers, undertaking health insurance business. Health insurance products are permitted to be offered by entities with a valid registration to carry on life insurance, general insurance or health insurance business. General insurers are permitted to offer individual health insurance products with a minimum tenure of one year and maximum tenure of three years provided that the premium remains unchanged for the tenure. Further, group health policies may be offered by any insurer for a term of one year except credit linked products where the term can be extended up to the loan period not exceeding five years. General Insurers may also offer credit linked group personal accident policies for a term extended up to the loan period not exceeding five years. Group personal accident policies may be offered by general insurers with term less than one year also to provide coverage to specific events. Other insurance products offering travel cover and individual personal accident cover may also be offered for a period less than one year. Overseas or domestic travel Insurance policies may only be offered by general insurers and health insurers.

Insurers are required to ensure that the premium for a health insurance policy is based on age and other relevant risk factors as applicable. Further, the insurers are required to adopt a board approved health insurance underwriting policy, which is required to be periodically reviewed. Other provisions of the health insurance regulations include filing, pricing, designing, administering of health insurance policies, special provisions for senior citizens and health service agreements.

In addition, on July 29, 2016, IRDAI has issued "*Guidelines on Standardisation in Health Insurance*" pursuant to the Health Insurance Regulations, which contain standard definitions for health insurance policies, standard nomenclature and procedures for critical illnesses etc. to enable the prospective policyholders and insured to understand these policies without ambiguity.

Further, on July 29, 2016, IRDAI has also issued "Guidelines on Product Filing in Health Insurance Business" pursuant to the Health Insurance Regulations, which require the insurers to adopt an underwriting policy for health insurance business, duly approved by the board of directors, and file the same with IRDAI. Additionally, these guidelines stipulate the filing procedure applicable to new individual health insurance products, add-ons, riders or any modifications thereto and additional guidelines for group health insurance products.

Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (“**Financial Statement and Auditor’s Report Regulations)**

The Financial Statement and Auditor’s Report Regulations prescribe accounting principles and other financial disclosures to be adhered to while preparing financial statements. Additionally, the financial statements are required to be prepared in conformity with the accounting standards issued by the ICAI, to the extent applicable, except for accounting standard 3 for cash flow statements which is to be prepared only under the direct method of accounting and accounting standard 17 for segment reporting which is to be applicable to all insurers irrespective of the requirements regarding listing and turnover specified in such accounting standard. Preparation of financial statements which includes balance sheet, revenue account, profit and loss account and receipts and payments account of an insurer, management report and auditor’s report are required to be prepared in accordance with the formats as prescribed under these regulations.

Certain regulations prescribed by the IRDAI for agents and insurance intermediaries

In order to regulate agents and intermediaries, IRDAI has notified certain regulations in relation to individual agents, corporate agents, brokers, web aggregators, insurance marketing firms and others. Individual agents are appointed by insurers as per the Insurance Regulatory and Development Authority of India (Appointment of Insurance Agents) Regulations, 2016. Under these regulations, an individual agent is permitted to act as an agent for one life, general, health and mono-line insurer each. Corporate agents are granted a certificate of registration by IRDAI in accordance with the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015. A corporate agent means any applicant (as defined in the IRDAI Corporate Agents Regulations) which holds a valid certificate of registration issued by the IRDAI under the IRDAI Corporate Agents Regulations for solicitation and servicing of insurance business for any of the specified category of life, general and health. A corporate agent is permitted to act as a corporate agent for a maximum of three life, three general and three health insurers and is required to adopt a Board Policy on the same. The Corporate Agents is required to adhere to a code of conduct on soliciting and servicing of insurance policies as prescribed by the regulations. Insurance brokers are granted a certificate of registration by IRDAI in accordance with the Insurance Regulatory and Development Authority (Insurance Brokers) Regulations, 2013, which has now been replaced with the Insurance Regulatory and Development Authority (Insurance Brokers) Regulations, 2018, and are, inter alia, required to adhere to the capital requirements, maintenance of minimum net worth, deposit requirements. They also have to adhere to a code of conduct as prescribed by the regulations. There are such similar regulations for other insurance intermediaries. The Insurance Regulatory Development Authority (Other Forms of Capital) Regulations, 2015 lays the qualifications under which the issue of preference share capital or subordinated debt by an insurer becomes an issue of “other forms of capital” (“**Other Forms of Capital**”) for which prior approval from the IRDAI has to be obtained by filing an application along with a set of documents specified before the same. The IRDAI has also released the Insurance Regulatory and Development Authority of India (Payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries) Regulations 2016, which came into effect on April 1, 2017 and provides the payment structure for insurance agents and insurance intermediaries. The maximum commission or remuneration payable by life insurers on insurance products including health insurance products is laid out in these regulations. Further, the regulations provide that reward to be given by life insurers, shall be calculated on an overall basis for insurance agents and insurance intermediaries respectively and not linked to each and every policy solicited by an insurance agent or an insurance intermediary.

Insurance Regulatory and Development Authority of India (Payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries) Regulations 2016, as amended

These regulations prescribe the mode, manner and limits for payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries. The regulation also specifies the eligibility criteria for payment of rewards to insurance agents and insurance intermediaries. Further, an insurer is also required to adopt a Board approved policy with respect to the same. Rewards for general insurance are to be calculated separately for health insurance and other than health insurance for insurance agents and insurance intermediaries respectively and not linked to each and every policy solicited by an insurance agent or an insurance intermediary; being not more than 30% of commission or remuneration paid to insurance agents and insurance intermediaries. The Insurance Regulatory and Development Authority of India (Payment of commission or remuneration or reward to insurance agents and insurance intermediaries) (First Amendment) Regulations, 2017 came into force on April 1, 2017 and set the maximum rate of commission or remuneration payable by an insurer.

Insurance Regulatory and Development Authority of India (Obligation of Insurer in respect of Motor Third Party Insurance Business) Regulations, 2015

These regulation lays down the obligation of an Insurer in respect to Motor Third Party insurance business for a Financial Year. As per the regulation the obligation is computed on the basis of prescribed formula arrived based on the following factors (i) Total 'Gross Direct Premium Income(GDPI)' under all lines of business of all insurers in the immediate preceding financial year, (ii) Total GDPI under motor insurance business of all insurers in the immediate preceding financial year (iii) Insurer's GDPI under all lines of business in the immediate preceding financial year (iv) Insurer's GDPI under motor insurance business in the immediate preceding financial year and (v) Total GDPI under motor third party insurance business of all insurers during the immediate preceding financial year.

Every insurer shall submit the financial returns to the Authority for every quarter of the financial year within forty five days of the end of the quarter as per the prescribed schedule in under these regulations.

Insurance Regulatory and Development Authority of India (Places of Business) Regulations, 2015 ("IRDAI Place of Business Regulations")

The IRDAI Place of Business Regulations lay down norms for every insurer who seeks to open a place of business within or outside India. Each such insurer is required to obtain the prior approval of the IRDAI, prior to opening a new place of business within or outside India. These regulations also prescribe the nature of activities that can be undertaken by places of business within and outside India and lay down the norms for opening, closure or relocation of branches or offices in India, foreign branch office, etc., and in addition, prescribe certain reporting requirements to IRDAI.

Insurance Regulatory and Development Authority of India (Maintenance of Insurance Records) Regulations, 2015

These regulations prescribe the manner in which the records of every policy issued and record of every claim is to be maintained by the insurer. These regulations require records of policies and claims to be mandatorily maintained in electronic form, records to be complete and accurate and the system of maintenance to have necessary security features. The insurer is required to form a board approved policy for the manner and maintenance of the policies and records, including having a detailed plan to review the implementation of the maintenance and storage of records. Such review is required to be overseen by the risk management committee of the board of the insurer. The regulations require records held in electronic mode pertaining to all the policies issued and all claims made in India to be held in data centres located and maintained in India only.

Certain guidelines and circulars prescribed by the IRDAI

Indian Insurance Companies (Foreign Investment) Amendment Rules, 2016 ("2016 Amendment Rules")

The Finance Minister notified the Indian Insurance Companies (Foreign Investment) Amendment Rules, 2016 on March 16, 2016 ("**2016 Amendment Rules**") which has increased the level of foreign investment to 49% under the automatic route. The FDI Policy, 2015 has also been suitably amended.

Guidelines for Corporate Governance for Insurers in India dated May 18, 2016

The Corporate Governance Guidelines encompass the corporate governance requirements stipulated under the Companies Act, 2013. These guidelines which are applicable from Fiscal 2017 stipulate the governance structure in insurance companies, including board of directors, key management personnel, constitution of various committees such as investment committee, policyholder protection committee, assets and liability management committee, role of appointed actuaries, appointment of auditors, relationship with stakeholders, whistle blower policy and certain disclosure requirements in relation to financial statements, including quantitative and qualitative information on financial and operating ratios, actual solvency margin *vis-a-vis* required margin, description of risk management architecture, payments made to group entities from the policyholders funds and pecuniary relationships with the non-executive directors.

Anti Money Laundering Guidelines dated, February 7, 2013

On February 7, 2013, IRDAI issued guidelines pertaining to anti-money laundering and counter- financing of terrorism ("**Anti Money Laundering Guidelines**") in relation to the general insurance sector. The Guidelines *inter alia* lays down the adoption of AML/CFT Program in order to discharge the statutory responsibility through internal policies, procedures and controls, recruitment and training of employees/agents on AML, and internal controls to combat any possible money laundering attempts. Further, it prescribes the reporting obligations to track any money laundering attempts for further investigation and action. The IRDAI issued a Master Circular on anti-money laundering and counter- financing of terrorism dated September 28, 2015 consolidating all the guidelines issued from time to time.

Guidelines on Indian owned and controlled dated October 19, 2015

The IRDAI issued guidelines on Indian owned and controlled, which *inter alia* prescribes that majority of directors excluding independent directors should be nominated by Indian promoters or Indian investors. Further, the key management personnel (KMP) should be nominated by the board of directors or by the Indian promoters or Indian investors. It also lay downs quorum requirements, requiring presence of majority of the Indian directors irrespective of presence of nominees of foreign investors.

Guidelines on 'Stewardship Code for Insurers in India' dated March 20, 2017

The Guidelines on 'Stewardship Code for Insurers in India' focus on role of insurance companies to be played in general meetings of investee companies wherein they act as institutional investors and to engage themselves with the managements at a greater level to improve the governance of such investee companies to whom the insurer acts as an institutional investor. The guidelines prescribe the stewardship code in the form of set of principles which the insurers need to adopt. The code broadly requires the insurers to have a policy as regards their conduct at general meetings of the investee companies and the disclosures relating thereto. It is be applicable from FY 2017-18.

Guidelines on usage of Trade Logo of Promoting Partners of Insurance Companies' dated May 5, 2014

As regards usage of trade logos of promoter entities, the IRDAI has issued the 'Guidelines on usage of Trade Logo of Promoting Partners of Insurance Companies' dated May 5, 2014 which require the insurers to observe certain risk mitigation norms to ensure that the interests of the policyholders are completely protected. In the event an insurer adopts the trade logo of any of its promoting partners, then there shall: (i) be a prominent disclosure in all its insurance advertisements indicating that the trade logo belongs to the promoter entity and is being used by the insurer under license; (ii) be in place a written agreement setting forth the underlying terms and conditions (including the consideration and the term of the agreement) and the same shall be subject to the jurisdiction of Indian courts. The consideration agreed should be specific, reasonable and according to sound business principles. In the event there is no monetary consideration involved, there shall be a specific mention of the same. Any pay out towards compensation made, on account of alleged damages owing to use of trade logo of the promoting partner shall be remitted from the shareholders' account.

Guidelines on Point of Sales – Non life & Health Insurers dated October 26, 2015

In order to facilitate the growth of insurance business in the country and to enhance insurance penetration and insurance density, the Authority as part of its developmental agenda issued the guidelines on "Point of Sales Persons". The IRDAI has relaxed the eligibility criteria and educational qualifications for the "Point of Sales Persons" in order to facilitate solicitation and marketing of products as specified in the guidelines or prescribed by IRDAI from time to time.

IRDAI Master Circular (Unclaimed amounts of policyholders) dated July 25, 2017 ("Unclaimed Amounts Circular").

The IRDAI issued a Master Circular on Unclaimed Amounts of Policyholders dated July 25, 2017 summarizing all directions of the IRDAI regarding unclaimed amounts, through various circulars and supersedes all the directions issued by the IRDAI on the subject prior. The salient highlights of the same are: (a) timely payment of dues in respect of unclaimed amount being overseen by the Policyholders Protection Committee (the "**Committee"**). To facilitate this, a detailed agenda item including *inter alia,* the aging analysis of unclaimed amounts, is to be placed before the Committee; (b) remitting proceeds to policyholders or beneficiaries through electronic mode only; (c) accounting treatment of unclaimed amounts in the manner provided in the Unclaimed Amounts Master Circular; (d) Reduction in unclaimed amounts through identification of policyholders and beneficiaries and creating awareness by requiring every insurer to among other things, furnish details in respect of unclaimed amounts to IRDAI and on their websites. This information will be required to be updated on a half-yearly basis.

The Unclaimed Amounts Circular, notes that life, general and health insurance companies have been notified by the Government of India to be part of the entities who shall be liable to transfer unclaimed amounts to the Senior Citizens' Welfare Fund instituted pursuant to the Finance Act, 2015 and Finance Act, 2016. Accordingly, all insurance companies are to ensure that the unclaimed amounts of policyholders are held in custody and invested in manner directed by IRDAI under the Unclaimed Amounts Master Circular for a period of 10 years from their due date.

IRDAI (Listed Indian Insurance Companies) Guidelines, 2016 ("Listed Indian Insurance Companies Guidelines") dated August 5, 2016

The Listed Indian Insurance Companies Guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. These Guidelines, inter alia, require self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person proposing to acquire equity shares is likely to result in the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or 5% or more of the total voting rights of the insurer, such acquisition would require prior approval of the IRDAI.

Further, an existing shareholder who has previously obtained IRDAI permission as a major shareholder (holding 5% or more of the paid up equity share capital) of the insurer may acquire up to 10% of equity shares or voting rights of the concerned insurer without prior approval of IRDAI, subject to, inter alia, furnishing details of the source of funds for such incremental acquisition to the insurer. However, if the shareholding of the major shareholder along with persons acting in concert results in the aggregate holding to exceed or likely to exceed 10% of the paid up equity share capital or of the total voting rights of the insurer, then such an acquisition would require prior fresh approval of the IRDAI. In addition to the above, the Listed Indian Insurance Companies Guidelines also prescribe continuous monitoring obligations by insurers in case of major shareholders. The Guidelines also prescribe the procedure for making an application before the IRDAI for transfer of the equity shares above the prescribed thresholds.

The Listed Indian Insurance Companies Guidelines prescribe the following shareholding and voting limits for an insurance company:

Category of Shareholders	**Promoter and Promoter Group (minimum)(1)**	**All shareholders in the long run (except promoters)**				
		Natural Person	**Legal person**			
			Non-financial institution / entities	**Financial institution**		
				Non-regulated or non-diversified and non-listed(2)	**Regulated, diversified and listed / supranational institution / public sector undertaking / government**	**Others(3)**
Shareholding Caps	50%	10%	10%	15%	30%	As permitted on a case to case basis.

The table illustrates the holding limits in category and sub-category of shareholders.

(1) *The promoter includes Indian promoter and also includes a foreign investor who has taken a stake in the concerned insurance company in such capacity. Where the present holding is below 50%, such holding shall be the minimum holding.*

(2) *In case of financial institutions that are owned to the extent of 40% or more or controlled by individuals, the shareholding would be deemed to be by a natural person and the shareholding will be capped at 10%.*

(3) *High stake / strategic investment by non-promoters through capital infusion by domestic or foreign entities / institution shall be permitted on a cases to case basis under circumstances such as relinquishment by existing promoters, rehabilitation / restructuring of problem / weak insurers / entrenchment of existing promoters or in the interest of the insurance company or in the interest of consolidation in the insurance sector, etc. The shareholders permitted 10% or more in an insurance company will be subject to a minimum lock-in period of five years.*

IRDAI circular in relation to Operationalisation of Central KYC Records Registry ("CKYCR")

On July 12, 2016, the IRDAI issued a circular in relation to operationalisation of Central KYC Records Registry ("**CKYCR**") to facilitate banks and financial institutions with the KYC related information of customers so as to avoid multiplicity of undertaking KYC each time a customer avails any financial product or services. The Central Registry of Securitisation and Asset Reconstruction and Security Interest of India ("**CERSAI**") has been authorised, to perform the functions of CKYCR under the Prevention of Money Laundering (Maintenance of Records) Rules 2005, which includes receiving, storing, safeguarding and retrieving the KYC records of a client in digital form. The Central KYC Registry has finalised the KYC template for individuals and the operating guidelines for uploading KYC records by reporting entities to CKYCR. Insurers are required to upload KYC records only in respect of claim where claims are received on or after July 15, 2016. In addition, insurers are required to submit a monthly statement of the number of KYC records to be uploaded and records actually uploaded to the IRDAI.

IRDAI Circular on "Complaints of Mis-selling /Unfair Business Practices by Banks/NBFCs dated August 1, 2016

The IRDAI on August 1, 2016 issued a Circular on "Complaints of Mis-selling /Unfair Business Practices by Banks/NBFCs" based on a series of complaints from policyholders on mis-selling of insurance policies by banks / non-banking financial companies registered as corporate agents. Most complaints pertained to instances where an insurance policy was forcibly sold or mis-sold by banks and non-banking financial companies when approached for (i) housing or other loans; (ii) availing locker facility; (iii) issued without consent and with incorrect contact details; (iv) in lieu of fixed deposit receipts; and (v) regular premium policies issued instead of single premium and renewal premiums debited without intimation.

IRDAI was informed by the insurers in most cases that the banks had taken necessary action against the erring employees and in many cases, the premium amount collected by the Insurer had been refunded to the policyholder or he/she was allowed to change the payment mode/ plan type. However, IRDAI has emphasised that such action is not the solution for this issue, and instead, banks and non-banking financial companies should have a system which proactively detects and discourages such kinds of *mis-selling*. Banks, non-banking financial companies and insurers have been advised to follow the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 scrupulously and bring them to the notice of the Specified Persons/ concerned officials.

Guidelines on Remuneration of Non-executive Directors and Managing Director /Chief Executive Officer / Whole-time Directors of Insurers" dated August 5, 2016

On August 5, 2016, IRDAI has issued "Guidelines on Remuneration of Non-executive Directors and Managing Director /Chief Executive Officer / Whole-time Directors of Insurers" ("**Remuneration Guidelines**"), effective from October 1, 2016 or from the date of appointment / re-appointment of chief executive officers / whole-time directors / managing directors and non-executive directors, whichever is later.

The Remuneration Guidelines prescribe adoption of a remuneration policy, for non-executive directors and chief executive officers / whole-time directors / managing directors. Such policy formulated for non-executive directors may allow for payment of remuneration in the form of profit related commission, subject to the insurer making profits while capping the amount of remuneration for each non-executive director at ₹ 10 lakh per annum, however, the remuneration for the chairman has been left to the discretion of the board of directors. Additionally, it has been prescribed that the company may pay sitting fees and reimburse expenses to the non-executive directors.

The Remuneration Guidelines provide minimum indicative parameters for implementation of risk adjustment in the remuneration payable to the chief executive officer/ whole-time director/ managing director. The provision of 'guaranteed bonus' is prohibited from being a part of remuneration plan of the chief executive officers / whole-time directors / managing directors. For such remuneration, the insurers are required to ensure that the fixed portion of the remuneration is reasonable and a proper balance is maintained between the percentage of fixed and variable pay. The variable pay may be in the form of cash, stock linked instruments or a combination of both, excluding employee stock options. Further, the Remuneration Guidelines require that where variable pay constitutes a substantial portion of the total pay, an appropriate portion of such variable pay shall be deferred over a period of not less than three years, and may be appropriately 'clawed back' in case of any negative trend observed in the risk parameters. For annual remuneration in excess of ₹ 15.00 million, such excess shall be required to be borne by the shareholders' account.

The Remuneration Guidelines also lays down certain details to be disclosed in the annual report and the financial statements of the insurer.

The Insurance Ombudsman Rules, 2017 ("Ombudsman Rules")

Ministry of Finance, Department of Financial Service (Financial Division) vide notification dated April 25, 2017 issued 'The Insurance Ombudsman Rules', 2017 ("**Ombudsman Rules**") to resolve all complaints of all personal lines of insurance, group insurance policies, policies issued to sole proprietorships and micro enterprises in a cost effective and impartial manner. The Ombudsman Rules are applicable to all the insurers and their agents and intermediaries and prescribe for constitution and composition of Executive Council of Insurer which shall issue guidelines relating to administration, secretariat, infrastructure and other aspects of the functioning of insurance ombudsman system. They also lay down the procedure for selection, term of office, remuneration and territorial jurisdiction of ombudsman and rules also prescribe the duties and functions of insurance ombudsman and the manner in which the complaint is to be made, the procedure for redressal of grievance, nature of complaints to be entertained and the manner of passing award in case the complaint is not settled by way of mediation.

IRDAI (Issuance of e-insurance policies) Regulations, 2016 ("E-insurance Regulations") and Guidelines on Insurance e-Commerce

The IRDAI in order to regulate and govern the online insurance business has issued IRDAI (Issuance of e-insurance policies) Regulations, 2016 and Guidelines on Insurance e-commerce for marketing and solicitation of insurance business through online mode. The IRDAI (Issuance of e-insurance policies) Regulations, 2016 lays down the procedure for electronic issuance of policies and mandates issuance of policies in electronic mode with respect to the specified products enlisted in the regulation. Guidelines on Insurance e-Commerce mandates all insurers and insurance intermediaries to file an application for registering their electronic platform set up as an Insurance Self- Network Platform (ISNP) with the Authority. The Guidelines directs internal monitoring, review and evaluation of systems and controls. The Guidelines further prescribe a code of conduct, adherence to regulatory prescriptions; grievance mechanism and for annual audit.

IRDAI (Outsourcing of activities by Indian Insurers) Regulations, 2017 ("Outsourcing Regulations")

The Outsourcing Regulations have been issued by IRDAI to ensure sound management practices for effective oversight and adequate due diligence with regard to outsourcing activities of the insurers. The objective of the Outsourcing Regulations is to further ensure that outsourcing arrangements neither diminish the ability of the insurer to fulfil its obligations towards its policyholders nor impede the effective supervision of the regulator. The Outsourcing Regulations prescribe a list of activities prohibited from outsourcing such as compliance with AML/KYC, product design, grievance redressal etc. and permits the insurer to outsource activities which are generally not expected to be carried out internally by insurer.

The Outsourcing Regulations lay down the mode and manner of evaluating the eligibility criteria, due diligence procedures, record maintenance mechanism, regulatory access, contractual obligations with the outsourced vendor, data security of policy holders information, business continuity plan and principles to be followed in case service provider is a related party and also require insurers to formulate an outsourcing policy, establish an outsourcing committee and report outsourcing arrangements to the IRDAI.

Guidelines on Motor Insurance Service Provider dated August 31, 2017 ("MISP Guidelines")

A motor insurance service provider ("**MISP**") is an automobile dealer appointed by an insurer or insurance intermediary, as the case may be, to distribute and/or service motor insurance policies of automotive vehicles sold through the MISP. The objective of the MISP Guidelines is to have regulatory oversight over the insurance related activities of automotive dealers, through recognition of their role in distributing and servicing motor insurance policies. The MISP Guidelines *inter alia*, list down (i) responsibilities of the MISP; (ii) code of conduct governing the MISP; (iii) minimum conditions to be met by the MISP; and (iv) the obligations of insurers/insurance intermediaries. The MISP Guidelines also establish certain eligibility conditions for appointment of the MISP, and requires the MISP to comply with the Insurance Act, 1938, the IRDAI Act, 1999 and regulations, guidelines and circulars issued by the IRDAI from time to time. Further, the distribution of motor insurance policies by the MISP shall be undertaken on the basis of an agreement entered with the insurer or insurance intermediary as the case may be. The MISP Guidelines came into force from November 1, 2017.

IRDAI Circular making long-term third party insurance cover compulsory for new vehicles

On August 28, 2018, the IRDAI issued a circular with Ref. No: IRDAI/NL/CIR/MOT/137/08/2018 making third party insurance covers for new cars and two-wheelers compulsory, with respect to all policies sold by general insurers (barring stand-alone health insurers and specialized insurers) from September 1, 2018. General insurers are required to offer only three-year motor third party insurance covers for new cars and five-year motor third party insurance policies for new two-wheelers. No motor third party insurance can be cancelled by either the insurer or the insured except on the following grounds: (a) double insurance; (b) vehicle not in use anymore because of total loss or constructive total loss; and (c) in the event the vehicle is sold and/or transferred. Insurers are also required to ensure that third party insurance cover is available to all proposers through online channels as well and liaise with the police authorities to facilitate issuance and renewal of third party insurance cover and ensure its easy availability. Further, the maximum pricing of the insurance covers has also been stipulated by the IRDAI as per this circular. Insurers are also required to advertise about the introduction (including the mandatory nature) of long-term motor third party insurance.

Other Exposure Drafts

Exposure Draft of Insurance Regulatory and Development Authority of India (Preparation of Financial Statements of Insurers) Regulations, 2017

In order to address the implementation issues relating to adoption of Ind-AS to insurance companies, IRDAI has issued an 'Exposure Draft of Insurance Regulatory and Development Authority of India (Preparation of Financial Statements of Insurers) Regulations, 2017. Pursuant to the above, IRDAI (based on a report submitted by the Implementation Group on Ind-AS in Insurance Sector in India) proposes to replace the existing Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 with the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements of Insurers) Regulations, 2017 to be effective from April 1, 2018. The draft regulations, inter alia, provides for general instructions and accounting principles for preparation of financial statements, and segments which are to be disclosed by the insurance companies.

However, the IRDAI has approved a regulatory override whereby the implementation of Ind AS in the insurance sector has been deferred for a period of two years and insurance companies shall be required to implement it for periods after April 1, 2020.

Other Regulations

In addition to the above, our Company is required to comply with the provisions of the Companies Act, FEMA, labour laws, various tax related legislations, various other IRDAI related regulations notifications and guidelines, and other applicable statutes and policies along with the rules formulated thereunder for its day-to-day operation.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as 'Reliance General Insurance Limited', a public limited company under the Companies Act, 1956, with a certificate of incorporation issued by the RoC on August 17, 2000. Thereafter, due to operational reasons, and pursuant to a resolution passed by our Shareholders on October 9, 2000, the name of our Company changed to 'Reliance General Insurance Company Limited' and a fresh certificate of incorporation was issued by the RoC on October 12, 2000. Subsequently, our Company received a certificate for commencement of business on November 17, 2000 from the RoC. Further, our Company is registered with the IRDAI (registration number: 103) for carrying out the business of general insurance pursuant to the registration certificate dated October 23, 2000.

Changes in the registered office

The details of prior changes in the registered office of our Company are as follows:

Effective Date	Details of Change	Reasons for Change
October 20, 2005	The registered office of our Company shifted from 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai – 400 021 to 19, Reliance Centre, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001.	For administrative convenience
November 1, 2016	The registered office of our Company shifted from 19, Reliance Centre, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001 to H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai – 400 710.	

Our main objects

The main objects of our Company as contained in our Memorandum of Association are:

1. *To undertake, carry on and transact in any manner whatsoever, whether in India or elsewhere throughout the world all or any kinds of assurance, Insurance, indemnity or guarantee business (including engaging in retrocession and for the purposes of the clauses mentioned herein, general insurance shall have the meaning assigned to it in the Insurance Act, 1938 as amended from time to time) of all kinds, classes, nature and description whether of a kind now known or hereafter devised including Fire, Marine, Accident, Aviation, Transit, Motor Vehicles, Engineering, Health and Miscellaneous and insurance covering any liability under any law, convention or agreement and to grant any contract of guarantee or indemnity against any kind of loss or damage to property or person occasion in any manner whatsoever and against any other kind of risk or liability whether direct, or indirect arising from happening of any event or the fulfilment or non fulfilment of any contract, obligation or undertaking whatsoever upon such terms as to security or otherwise as the company may decide.*

2. *To undertake, carry on and transact in any manner whatsoever, whether in India or elsewhere throughout the world the business of coinsurance, re-insurance of all kinds, classes, nature and description whether as now known or hereinafter devised and to effect re-insurance and guarantees in connection with any of the classes of assurance or insurance of any class of contract which the company is authorised to carry on or enter into and to undertake, carry on or grant, sell, purchase, transact, or otherwise acquire of all kinds of annuities, sureties, capital redemption and annuity certain business in any manner whatsoever, whether in India or elsewhere throughout the world.*

The main object clause and objects incidental or ancillary to the main objects contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to our Memorandum of Association

Since incorporation, the following amendments have been made to our Memorandum of Association:

Date of change/ shareholders' resolution	Nature of amendment
October 9, 2000	Clause I of the Memorandum of Association was amended to reflect change in name of our Company from Reliance General Insurance Limited to Reliance General Insurance Company Limited
August 10, 2017	Clause V of the Memorandum of Association was amended to reflect an increase in the authorised share capital of our Company from ₹ 2,000,000,000 comprising 200,000,000 Equity Shares of ₹ 10 each to ₹ 3,000,000,000 comprising 300,000,000 Equity Shares of ₹ 10 each

Total number of Shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has seven Shareholders.

For further details, see "*Capital Structure*" on page 75.

Awards, accreditations and recognition

Calendar Year	Accreditations
2014	• Received the 'Best General Insurance Company' award at the Banking, Financial Services and Insurers Awards 2014 • Received a commendation award for financial services at the QCI – D.L. Shah Quality Awards • Received the award for 'Best Use of Internet for Social and Economic Development' at the India Digital Awards, 2014 • Received awards for 'Innovation In Quality Of Service Delivery' and 'Product Innovations' at the Healthcare Leadership Awards • Received the 'Best Insurer Technology Award' at the Asia Insurance Technology Awards
2015	• Received the 'Website of the Year' award at the Social Media & Digital Marketing Excellence Awards presented by CMO Asia • Received the award for 'Automation of Underwriting Process' by EDGE in recognition of being an organization that uses information technology for maximizing business impact • Received recognition for 'Carrying the DNA of a Promising Brand' at The Promising Brands 2015 awards presented by The Economic Times • Awarded the 'General Insurer of the Year' award at the Financial Services Marketing Summit Awards
2016	• Received an award for 'Enterprise Mobility' at the Intelligent Enterprise Awards 2016 • Received an award for 'Innovative Usage of Emerging Technology' at the BFSI Digital Innovation Awards • Received the 'Best Multi Channel Integrated Marketing Campaign' award for a 'Car Insurance Campaign' at the Global Marketing Excellence Awards • Received the 'Best Social Media Integrated Campaign' award at the Social Media & Digital Marketing Excellence Awards by CMO Asia and the 'Best Overall Use of Social Media' award at the Global Marketing Excellence Awards for our '#Don't_Employ_Little_Ones' campaign • Received the 'Award for Brand Excellence in Banking, Finance & Insurance Sector' at the 7th CMO Asia Awards for Excellence in Branding & Marketing by CMO Asia • Received the 'General Insurer of the Year' and 'Best Use of Mobile Technology in Financial Services' awards at the Financial Services Marketing Summit Awards • Received the 'Best Product Innovation General Insurance' award at The Indian Insurance Awards 2016 • Received the 'Best Use of Social Media in Marketing' and 'Marketing Excellence in BFSI Sector' awards at the National Awards for Marketing Excellence • Received the 'Silver' Award and the 'Top 100 Projects in India' award for our agri-insurance system at the SKOCH Awards
2017	• Received the 'General Insurance Company of the Year' award at the Banking, Financial Services & Insurance Awards • Received a SKOCH Order of Merit for 'Single Field Quick Quote' by the SKOCH Group • Recognised as a 'Model Insurer Asia - Data and Analytics' at the Celent Model Insurer Asia Awards • Received the 'General Insurance Company of the Year' award at the 2nd Annual Insurance India Summit & Awards 2017 • Received the 'e-Business Leader General Insurance – Medium & Small Category' and 'Commercial Lines Growth Leadership (Private Sector) General Insurance' awards at the Fintelekt Insurance Awards 2017

Calendar Year	Accreditations
2018	• Received the 'Data & Analytics & AI' award at the Celent Model Insurer Asia Awards • Received the 'Best General Insurance Company award at the Asia's Banking, Financial, Services & Insurance Excellence Awards • Received the 'Initiative of the Year in Risk & Compliance' award at the National Awards for Marketing Excellence presented by the Times Network • Received the 'Best General Insurance Company of the Year' and 'Underwriting Initiative of the year' awards at the ET Now BFSI Awards

Major events and milestones

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Details
2000	Incorporation of our Company
2003	Gross written premium crosses ₹ 1,000 million
2008	Gross written premium crosses ₹ 10,000 million
	Our Company introduced a mobile-based policy issuance platform in the market
2013	Gross written premium crosses ₹ 20,000 million
2018	Gross written premium crosses ₹ 50,000 million
	Investment portfolio crosses ₹ 80,000 million

Time/cost overrun

We have not experienced any instances of time/cost overrun in our business operations.

Defaults or rescheduling of borrowings

There have been no defaults or rescheduling of borrowings with financial institutions or banks.

Launch of key products or services, entry or exit in new geographies

For details of launch of key products or services, entry in new geographies or exit from existing markets, see "*Our Business- Description of our Business*" on page 151.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets

Our Company has not undertaken any merger, amalgamation, revaluation of assets or divestment of business or undertakings in the last ten years.

Material Agreements

A. Share purchase and shareholders' agreements

We are not currently party to any subsisting share purchase or shareholders' agreements.

B. Other Agreements

We are not currently party to any subsisting material contract other than in the ordinary course of business carried on or intended to be carried on by our Company.

Holding Company

Reliance Capital is our holding company.

For further details, see "*Our Promoter and Promoter Group*" on page 211.

Subsidiary or associate company of our Company

Our Company does not have any subsidiary or associate company.

Strategic and financial partnerships

Our Company does not have any strategic or financial partners.

Guarantees given by the Promoter Selling Shareholder

The Promoter Selling Shareholder has not provided any guarantees in relation to loans availed by our Company.

OUR MANAGEMENT

Our Company currently has seven Directors on its Board, including five Independent Directors. For details on the strength of our Board, as permitted and required under the Articles of Association, see "*Main Provisions of Articles of Association*" on page 416.

Our Board

The following table sets forth details regarding our Board:

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other Directorships
Rajendra Prabhakar Chitale *Designation:* Chairman and Independent Director *Address:* 131/B, Tanna Residency Bayview, opposite Siddhi Vinayak Temple, 392, V.S. Marg, Prabhadevi, Mumbai – 400 025, Maharashtra, India *Occupation*: Professional Period of Directorship: Director since December 29, 2005 *Nationality:* Indian *Term:* Five years with effect from September 29, 2014 *Date of Birth*: April 10, 1961 *DIN:* 00015986	57	1. Hinduja Ventures Limited 2. Reliance Capital Limited 3. Ambuja Cements Limited 4. Hinduja Global Solutions Limited 5. JM Financial Asset Management Limited 6. Reliance Nippon Life Insurance Company Limited 7. The Clearing Corporation of India Limited 8. Chitale Advisory Services Private Limited 9. Everest Industries Limited
Haris Ansari *Designation:* Independent Director *Address:* Flat No. 503, Serin Nyati Enclave, Nyati County Mohammadwadi, Pune – 411 028, Maharashtra, India *Occupation*: Retired *Nationality:* Indian *Period of Directorship*: Director since May 8, 2012 *Term:* Five years with effect from September 29, 2014. *Date of Birth*: April 1, 1939 *DIN:* 02155529	79	1. Insurance Assist India Private Limited
Dr. Thomas Mathew *Designation:* Independent Director *Address:* Apartment 402, Fourth Floor, Tower A-2, Unitech World Spa East, Sectors 30 and 41, Gurgaon– 122 001, Haryana, India *Occupation*: Retired *Nationality:* Indian	62	Nil

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other Directorships
Period of Directorship: Director since October 6, 2017 *Term:* Five years with effect from October 6, 2017 *Date of Birth*: May 9, 1956 *DIN:* 05203948		
Chhaya Virani *Designation:* Independent Director *Address:* 407 Panchsheel, C Road, P.M. Shukla Marg, Churchgate, Mumbai – 400 020, Maharashtra, India *Occupation*: Professional *Nationality:* Indian *Period of Directorship*: Director since March 31, 2015 *Term:* Five years with effect from September 28, 2015 *Date of Birth*: June 16, 1954 *DIN:* 06953556	64	1. Reliance Capital Limited 2. Reliance Infratel Limited 3. Reliance Capital Pension Fund Limited 4. Reliance Communications Limited
Rahul Sarin *Designation:* Independent Director *Address:* Tower-2, Flat - 1201, Vipul Belmonte, Golf Course Road, Sector - 53, Gurgaon - 122 011, Haryana, India *Occupation*: Professional *Nationality:* Indian *Period of Directorship*: Director since October 25, 2018 *Term:* Five years with effect from January 30, 2019 *Date of Birth*: August 21, 1949 *DIN:* 02275722	69	Nil
Jai Anmol Ambani *Designation:* Non-Executive Director *Address:* 39, Sea Wind, Cuffe Parade, Colaba, Mumbai - 400 005, Maharashtra, India *Occupation*: Business Period of Directorship: Director since January 21, 2019 *Nationality:* Indian *Term: Liable to retire by rotation*	27	1. Reliance Capital Limited 2. Reliance Innoventures Private Limited 3. Unlimit IOT Private Limited 4. Reliance Home Finance Limited 5. Reliance Nippon Life Asset Management Limited 6. Reliance Entertainment Holdings Private Limited 7. Reliance Health Insurance Limited

Name, Designation, Date of Birth, Address, Occupation, Nationality, Period of Directorship, Term and DIN	Age (years)	Other Directorships
Date of Birth: December 12, 1991 *DIN:* 07591624		
Rakesh Jain *Designation:* Executive Director and CEO *Address:* B-701, Velentine Apartments, Pimplipada, Gen. A.K. Vaidya Marg, Goregaon-Mulund Link Road, Malad (East), Mumbai - 400 097, Maharashtra, India *Occupation*: Service *Nationality:* Indian *Period of Directorship*: Director since October 20, 2011 *Term:* Five years with effect from October 20, 2015 *Date of Birth*: August 17, 1970 *DIN:* 03645324	48	Nil

Brief profiles of our Directors

Rajendra Prabhakar Chitale, aged 57, is our Chairman and Independent Director. He holds a bachelor's degree in law from the University of Mumbai. He is a fellow of the Institute of the Chartered Accountants of India. He is currently the managing partner of M.P. Chitale & Co.

Haris Ansari, aged 79, is our Independent Director. He holds a master's degree in geology from Aligarh University. He has previously served as a member of the IRDAI.

Dr.Thomas Mathew, aged 62, is our Independent Director. He holds a bachelor's degree in arts from the University of Delhi and a bachelor's degree in law from Campus Law Centre-II, Faculty of Law. He also holds a master's degree in arts, a degree of master of philosophy, and a degree of doctor of philosophy from Jawaharlal Nehru University. He has experience of working with the Ministry of Finance and the Ministry of Defence.

Chhaya Virani, aged 64, is our Independent Director. She is a solicitor and holds both a bachelor's degree in arts from Mumbai University and a bachelor's degree in law from Government Law College. She is currently a partner at ALMT Legal Advocates and Solicitors. She has experience in the field of law.

Rahul Sarin, aged 69, is our Independent Director. He holds a bachelor degree in the fields of science and law from the University of Delhi and a post-graduate degree in administrative services from the University of York, United Kingdom. He joined the Indian Administrative Service in 1974 and has over 35 years of experience in the services.

Jai Anmol Ambani aged 27, is our Non-Executive Director. He studied in Cathedral and John Connon School, Mumbai, till tenth standard and thereafter received a diploma of international baccalaureate from Seven Oaks School, United Kingdom. He has completed his bachelor of science degree in management from Warwick Business School in the United Kingdom. He has four years of experience in financial services. He is the Executive Director of Reliance Capital Limited and also serves on the boards of other companies in the Reliance group.

Rakesh Jain, aged 48, is our Executive Director and CEO. He is a member of the Institute of the Chartered Accountants of India. During his tenure as chief financial officer of ICICI Lombard General Insurance Company Limited, he was conferred an award titled 'The CFO – Financial Sector Award' by the Institute of Chartered Accountants of India. He has experience in the fields of corporate finance and reinsurance functions.

Family relationship between Directors

There is no family relationship between any of our Directors.

Remuneration details of our Directors

1. ***Remuneration details of our executive Directors***

Rakesh Jain

Pursuant to a resolution of our Board dated April 19, 2018, and approval of IRDAI through its letter dated November 27, 2018, Rakesh Jain is entitled to the following remuneration.

Particulars	Remuneration (In ₹ million per annum)
Salary	13.75
Allowances	11.44
Perquisites	5.81
Total remuneration	31.00

In addition to the remuneration aforementioned, Rakesh Jain is also entitled to performance bonus of ₹ 25.00 million. As per the approval obtained from IRDAI through letter dated November 27, 2018, payment of remuneration to Rakesh Jain in excess of ₹ 15 million in any Financial Year shall be only from the shareholders' funds.

For details of options granted to Rakesh Jain under the RGICL ESOP 2017, see "*Capital Structure-Employee Stock Option Scheme*" on page 82.

During Fiscal 2018, our Company paid Rakesh Jain a remuneration of ₹ 47.40 million. Further, an amount of ₹ 25.00 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

2. ***Remuneration details of our non-executive and Independent Directors***

Pursuant to the resolution of our Board dated April 29, 2016, our Independent Directors are entitled to receive sitting fees of ₹ 0.04 million for attending each meeting of our Board and Audit Committee. Additionally, as approved by the Board by way of its resolution dated April 29, 2016, a sitting fee of ₹ 0.03 million is payable to all Independent Directors of our Company for attending meetings of all other committees of our Company.

Details of the sitting fees paid to our non-executive Directors including our Independent Directors, during Fiscal 2018 are set forth below.

Name of Director	Sitting fees paid (In ₹ million)
Rajendra Prabhakar Chitale	1.14
Haris Ansari	1.37
Dr.Thomas Mathew	0.2
Chhaya Virani	0.72
Rahul Sarin	Nil
Jai Anmol Ambani	Nil

* While Rahul Sarin is entitled to sitting fees, no sitting fees has been paid to him in Fiscal 2018 as he was appointed on October 25, 2018. Jai Anmol Ambani was appointed on January 21, 2019 and is not entitled to any sitting fees.

Bonus or profit sharing plan for the Directors

Except for Rakesh Jain who is entitled to a performance bonus as part of the terms of remuneration payable to him, our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors

Our Articles do not require the Directors to hold any qualification shares.

None of our Directors hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Service contracts with Directors

There are no service contracts entered into with any of our Directors which provide for any benefit upon termination of employment.

Interest of our Directors

All of our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration, bonus and reimbursement of expenses, if any, payable to them.

Certain Directors may also be deemed to be interested in Equity Shares that may, pursuant to this Offer, be subscribed by or Allotted to them, their relatives, or to the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters.

Our Director, Rajendra Prabhakar Chitale is also interested in the Company to the extent of the claim amount paid to him pursuant to the insurance policies availed by him from our Company.

Certain of our Directors may also be deemed to be interested to the extent of employee stock options or phantom stock options held by them or that may be granted to them from time to time under the RGICL ESOP 2017 and the RGICL Phantom Stock Option Scheme 2015. For details of the RGICL ESOP 2017 and the RGICL Phantom Stock Option Scheme 2015, see "*Capital Structure-Employee Stock Option Scheme*" and "*Our Management – Payment of non-salary related benefits to officers of our Company*" on page 82 and 210, respectively, of this Draft Red Herring Prospectus.

Interest in promotion or formation of our Company

Our Directors have no interest in the promotion of our Company. However, Rajendra Prabhakar Chitale, Jai Anmol Ambani and Chhaya Virani are directors of Reliance Capital Limited.

Further, Jai Anmol Ambani holds 0.07% of total shareholding in Reliance Capital Limited and his father Anil D. Ambani exercises significant influence in Reliance Capital Limited.

None of our Directors had any interest in the formation of our Company

Interest in property

Our Directors have no interest in any property acquired or proposed to be acquired by or of our Company.

Business interest

Except certain of our Directors who are policyholders of our Company, and as stated in "*Our Management - Interest of our Directors"* and "*Related Party Transactions*" on pages 196 and on page 232, our Directors do not have any other interest in our business or our Company.

Except as stated in" *Related Party Transactions*" beginning on page 232 and as disclosed in this section, our Directors do not have any other interest in our Company or in any transaction by our Company.

Confirmations

None of our Directors have been identified as Wilful Defaulters

Our Directors are not, and have not, during the five years preceding the date of this Draft Red Herring Prospectus, been on the board of any listed company whose shares have been or were suspended from being traded on the BSE or NSE during their term of directorship in such company.

None of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name of Director	Date of change	Reasons
Jai Anmol Ambani	January 21, 2019	Appointment
Lav Ramji Chaturvedi	January 21, 2019	Resignation
Rajendra Prabhakar Chitale	October 25, 2018	Appointment as Chairman
Rahul Sarin	October 25, 2018	Appointment
Dr. Thomas Mathew	October 6, 2017	Appointment
Lav Ramji Chaturvedi	April 22, 2017	Appointment
Soumen Ghosh	March 31, 2017	Resignation

Borrowing Powers

Our Company can borrow as per the provisions of the Companies Act, 2013, Insurance Act and IRDAI Act including the rules and regulations issued thereunder. For details of our outstanding indebtedness, see "*Financial Indebtedness*" on page 352.

Corporate Governance

In addition to the Companies Act, 2013, and the IRDAI Corporate Governance Guidelines, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

Our Company currently has seven Directors, of which one is an executive Director, and six are non-executive Directors. Of the six non-executive Directors, our Company has five Independent Directors, including one woman Director. Our Company is in compliance with corporate governance norms prescribed under the SEBI Listing Regulations, the IRDAI Corporate Governance Guidelines and the Companies Act, 2013, particularly, in relation to the composition of our Board of Directors and the constitution of our Board level committees.

Our Company undertakes to continue to comply with the corporate governance norms under the SEBI Listing Regulations, the IRDAI Corporate Governance Guidelines and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations, the IRDAI Corporate Governance Guidelines and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(i) Audit Committee;
(ii) Nomination and Remuneration Committee;
(iii) Risk Management Committee;
(iv) Stakeholders' Relationship Committee;
(v) Corporate Social Responsibility Committee; and
(vi) Policyholders Protection Committee.

Audit Committee

The Audit Committee currently consists of:

Name	Position in the committee	Designation
Rajendra Prabhakar Chitale	Chairperson	Chairman and Independent Director

Name	Position in the committee	Designation
Haris Ansari	Member	Independent Director
Chhaya Virani	Member	Independent Director

Our Audit Committee was constituted by a resolution of our Board dated April 26, 2001, in compliance with the Companies Act, 2013 and SEBI Listing Regulations, and was last reconstituted on September 8, 2017. The terms of reference of the Audit Committee include the following:

(i) oversee our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
(ii) recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
(iii) approve payment to statutory auditors for any other services rendered by them;
(iv) review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

  (a) matters required to be included in the Director's Responsibility Statement to be included in the board of directors' report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
  (b) changes, if any, in accounting policies and practices and reasons for the same;
  (c) major accounting entries involving estimates based on the exercise of judgment by the management of our Company;
  (d) significant adjustments made in the financial statements arising out of audit findings;
  (e) compliance with listing and other legal requirements relating to financial statements;
  (f) disclosure of any related party transactions; and
  (g) modified opinion(s) in the draft audit report.

(vii) review, with the management, the quarterly and any other partial year- period financial statements before submission to the board of directors for their approval;
(viii) review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our board of directors to take up steps in this matter;
(ix) review and monitor the auditor's independence and performance, and effectiveness of audit process;
(x) subject to and conditional upon approval of our Board, approval of related party transactions or subsequent modifications thereto. Such approval can be in the form of omnibus approval of related party transactions, subject to conditions not inconsistent with the conditions specified in Regulation 23(2) and Regulation 23(3) of the SEBI Listing Regulations;
(xi) subject to review by our Board, review on quarterly basis, of related party transactions entered into by our Company pursuant to each omnibus approval given pursuant to (viii) above;

  Explanation: The term "related party transactions" shall have the same meaning as provided in Clause2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

(xii) scrutinize inter-corporate loans and investments;
(xiii) valuation of undertakings or assets of our Company, wherever it is necessary;
(xiv) evaluate internal financial controls and risk management systems;
(xv) review, with the management, performance of statutory and internal auditors, adequacy of the internal checks and control systems;
(xvi) review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(xvii) discuss with internal auditors of any significant findings and follow up there on;
(xviii) review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
(xix) discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xx) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(xxi) to review the functioning of the whistle blower mechanism;
(xxii) oversee the procedures and processes established to attend to issues relating to the maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of our Company, whether raised by the auditors or by any other person;
(xxiii) act as a compliance committee to discuss the level of compliance in our Company and any associated risks and to monitor and report to the Board on any significant compliance breaches;
(xxiv) approve the appointment of the Chief Financial Officer of our Company (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
(xxv) oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimisation of employees and directors, who use vigil mechanism to report genuine concerns; and
(xxvi) carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of our Company or specified/provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.

The Audit Committee shall mandatorily review the following information:

(i) management discussion and analysis of financial condition and results of operations;
(ii) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of our Company;
(iii) management letters / letters of internal control weaknesses issued by the statutory auditors of our Company;
(iv) internal audit reports relating to internal control weaknesses;
(v) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
(vi) statement of deviations in terms of the SEBI Listing Regulations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
- annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice.

The powers of the Audit Committee are as mentioned below:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee of our Company;
3. to obtain outside legal or other professional advice; and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee currently consists of:

Name	Position in the committee	Designation
Haris Ansari	Chairperson	Independent Director
Jai Anmol Ambani	Member	Non-Executive Director
Rajendra Prabhakar Chitale	Member	Chairman and Independent Director

The Nomination and Remuneration Committee was constituted by a resolution of our Board dated October 24, 2009, in compliance with Section 178 of the Companies Act, 2013, and the IRDAI Corporate Governance Guidelines, and was last reconstituted on January 30, 2019. The terms of reference of the Nomination and Remuneration Committee include the following:

(i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and carry out evaluation of every director's performance (including that of independent directors);

(ii) formulate the criteria for determining qualifications, positive attributes and independence of a director;

(iii) devise a policy on diversity of the Board;

(iv) determine whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;

(v) perform such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:

   (a) administering the RGICL ESOP 2017;
   (b) determining the eligibility of employees to participate under the plan;
   (c) granting options to eligible employees and determining the date of grant;
   (d) determining the number of options to be granted to an employee;
   (e) determining the exercise price under of the plan; and
   (f) construing and interpreting the plan and any agreements defining the rights and obligations of our Company and eligible employees under the plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the plan.

(vi) recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

   (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
   (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.

(vii) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

   (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
   (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.

(viii) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other applicable law or regulatory authority; and

(ix) the committee shall also ensure that the proposed appointments/ re-appointments of Key Management Persons or Directors are in conformity with the Board approved policy on retirement/ superannuation.

Risk Management Committee

The Risk Management Committee currently consists of:

Name	Position in the committee	Designation
Rajendra Prabhakar Chitale	Member	Chairman and Independent Director
Haris Ansari	Member	Independent Director
Rakesh Jain	Member	Executive Director and CEO

The Risk Management Committee was constituted by a resolution of our Board dated October 24, 2009, in compliance with the Companies Act 2013, and the IRDAI Corporate Governance Guidelines, and was last reconstituted on September 8, 2017. The terms of reference of the Risk Management Committee include the following:

(i) to review and assess the risk management system and policy of our Company from time to time and recommend for amendment or modification thereof;
(ii) to frame, devise and monitor risk management plan and policy of our Company;
(iii) to review and recommend potential risk involved in any new business plans and processes;
(iv) discuss and consider best practices in risk management in the market and advise the respective functions;
(v) review compliance with the Guidelines on Insurance Fraud Monitoring Framework dated January 21, 2013 issued by the Insurance Regulatory and Development Authority of India;
(vi) formulate a fraud monitoring policy and framework for approval of the Board;
(vii) monitor implementation of anti-fraud policy for the effective deterrence, prevention, detection and mitigation of frauds;
(viii) review our Company's risk-reward performance to align with our Company's overall policy objectives;
(ix) monitor and review regular updates on business continuity;
(x) review the solvency position of our Company on a regular basis;
(xi) set the risk tolerance limits and assess the cost and benefits associated with risk exposure;
(xii) perform specialized analysis and quality reviews;
(xiii) maintain an aggregated view on the risk profile of our Company for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk and reputational risk;
(xiv) reporting to the Board details of the risk exposures and the actions taken to manage the exposures, setting the risk tolerance limits and assessing the cost and benefits associated with risk exposure and reviewing, monitoring and challenging where necessary, all risks across various lines of business undertaken by our Company, towards adding value to business;
(xv) advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
(xvi) performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee currently comprises:

Name	Position in the committee	Designation
Chhaya Virani	Chairperson	Independent Director
Haris Ansari	Member	Independent Director
Rakesh Jain	Member	Executive Director and CEO

Our Stakeholders' Relationship Committee was constituted by a resolution of our Board dated September 8, 2017, in compliance with Section 178 of the Companies Act, 2013, and the SEBI Listing Regulation. The terms of reference of the Stakeholders' Relationship Committee include the following:

(i) redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;
(ii) giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
(iii) overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and
(iv) carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013, or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee currently comprises of:

Name	Position in the committee	Designation

Name	Position in the committee	Designation
Haris Ansari	Member	Independent Director
Jai Anmol Ambani	Member	Non-Executive Director
Rakesh Jain	Member	Executive Director and CEO

The CSR Committee was constituted by a resolution of our Board dated April 30, 2014 in compliance with Section 135 of the Companies Act, 2013, and was last reconstituted on January 30, 2019 . The terms of reference of the CSR Committee include the following:

(i) specify the corporate social responsibility projects and programmes to be undertaken during the year (specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same);
(ii) formulate and recommend to the board, a corporate social responsibility policy indicating the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013, as may be amended from time to time;
(iii) approve the corporate social responsibility policy of our Company;
(iv) recommend the amount of expenditure to be incurred on the corporate social responsibility activities;
(v) monitor the corporate social responsibility policy and corporate social responsibility activities from time to time;
(vi) secure appropriate disclosures relating to corporate social responsibility as per the applicable provisions of the Companies Act, 2013;
(vii) appraise the Board of corporate social responsibility activities;
(viii) specify reasons for failure (if any) for not spending the corporate social responsibility amount in the Director’s Report; and
(ix) ensure that the expenses incurred on corporate social responsibility activities shall not be charged to the policyholders’ account.

Policyholders Protection Committee

The Policyholders Protection Committee comprises:

Name	Position in the committee	Designation
Haris Ansari	Member	Independent Director
Jai Anmol Ambani	Member	Non-Executive Director
Rakesh Jain	Member	Executive Director and CEO

Our Policyholders Protection Committee was constituted by a resolution of our Board dated October 24, 2009, and was last reconstituted by a resolution of our Board dated January 30, 2019. The terms of reference of the Policyholders Protection Committee of our Company include the following:

(i) put in place proper procedures and effective mechanism to address complaints and grievances of policyholders and stakeholders;
(ii) adopt standard operating procedures to treat the customer fairly including timeframes for policy and claims servicing parameters and monitoring implementation thereof;
(iii) put in place a framework for review of awards given by the Insurance Ombudsman/consumer forums and analyze the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any;
(iv) ensure compliance with the statutory requirements as laid down in the regulatory framework;
(v) review all the awards given by Insurance Ombudsman/Consumer Forums remaining unimplemented for more than three months with reasons thereof and report the same to the Board for initiating remedial action, where necessary;
(vi) review the measures and take steps to reduce customer complaints at periodic intervals;
(vii) ensure compliance with the statutory requirements as laid down in the regulatory framework;
(viii) review of claims report, including status of outstanding claims with ageing of outstanding claims;
(ix) review repudiated claims with analysis of reasons;
(x) review of unclaimed amounts of policyholders, as required under the circulars and guidelines issued by the IRDAI;
(xi) ensure adequacy of disclosure of "material information" to the policyholders. These disclosures shall, for the present, comply with the requirements laid down by the IRDAI both at the point of sale and at periodic intervals;
(xii) review the status of complaints at periodic intervals to the policyholders;

(xiii) provide the details of grievances at periodic intervals in such formats as may be prescribed by the IRDAI; and
(xiv) provide details of insurance ombudsmen to the policyholders.

Other committees

In terms of the IRDAI Corporate Governance Guidelines, as applicable, our Company has also constituted the following committees:

(i) IPO Committee;
(ii) Investment Committee; and
(iii) Asset Liability Management Committee.

IPO Committee

The IPO Committee currently comprises:

Name	Position in the committee	Designation
Rakesh Jain	Member	Executive Director and CEO
Hemant Kumar Jain	Member	Chief Financial Officer
Mohan Khandekar	Member	Company Secretary & Chief Compliance Officer

Our IPO Committee was constituted by a resolution of our Board dated September 8, 2017. The terms of reference of the IPO Committee of our Company include the following:

(i) to decide with the selling shareholder(s), as applicable, in consultation with the book running lead managers, on the initial public offering size (including any reservation for employees, and/or any other reservations or firm allotments as may be permitted, green shoe option and/ or any rounding off in the event of any oversubscription), timing, pricing (price band, issue price, including to anchor investors etcetera) and all other terms and conditions of the initial public offering, including the price, premium, discount (as permitted under applicable laws) and to make any amendments, modifications, variations or alterations thereto;
(ii) to make applications to the stock exchanges for in-principle approval for listing of its equity shares and file such papers and documents, including a copy of the draft red herring prospectus filed with the Securities and Exchange Board of India, as may be required for the purpose;
(iii) to take all actions as may be necessary or authorized, in connection with the offer for sale, including taking on record the approval of the offer for sale, extending the bid/offer period, revision of the price band, allow revision of the offer for sale portion in case any Selling Shareholder decides to revise it, in accordance with the applicable laws;
(iv) to invite the existing shareholders of our Company to participate in the initial public offering to offer for sale Equity Shares held by them at the same price as in the initial public offering;
(v) authorisation of any director or directors of our Company or other officer or officers of our Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares;
(vi) giving or authorising any concerned person to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
(vii) to appoint and enter into arrangements with the book running lead managers, underwriters to the initial public offering, syndicate members to the initial public offering, brokers to the initial public offering, advisors to the initial public offering, escrow collection banks to the initial public offering, registrars to the initial public offering, refund banks to the initial public offering, public issue account banks to the initial public offering, monitoring agency, legal counsel, advertising agencies and any other agencies or persons or intermediaries to the initial public offering and to negotiate and finalise the terms of their appointment;
(viii) to seek, if required, the consent of the lenders to our Company, industry data providers, parties with whom our Company has entered into various commercial and other agreements including without limitation customers, suppliers, strategic partners of our Company, any concerned government and regulatory authorities in India or outside India, and any other consent, approval or waiver that may be required in connection with the initial public offering, if any;

(ix) to approve the list of 'group companies' of our Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the draft red herring prospectus, red herring prospectus and the Prospectus;

(x) to make applications to, seek clarifications and obtain approvals from, if necessary, the RBI, the SEBI or any other statutory or governmental authorities in connection with the initial public offering and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus;

(xi) to negotiate, finalise, settle, execute and deliver or arrange the delivery of the book running lead managers' mandate or engagement letter(s), the offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow agreement, share escrow agreement and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever, including any amendment(s) or addenda thereto, including with respect to the payment of commissions, brokerages and fees, with the book running lead managers, registrar to the initial public offering, legal advisors, auditors, Stock Exchanges and any other agencies/intermediaries in connection with the initial public offering with the power to authorise one or more officers of our Company to negotiate, execute and deliver all or any of the aforestated documents;

(xii) to open and operate any bank account(s) required of our Company for the purposes of the initial public offering and the pre-initial public offering Placement, including the cash escrow account, the public issue account, as may be required;

(xiii) deciding the pricing and all other related matters regarding the pre-initial public offering Placement, including the execution of the relevant documents with the investors in consultation with the book running lead managers and in accordance with applicable laws;

(xiv) approving the draft red herring prospectus, red herring prospectus and the prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) and the preliminary and final international wrap for the initial public offering together with any addenda, corrigenda and supplement thereto as finalised in consultation with the book running lead managers, in accordance with all applicable laws, rules, regulations, notifications, circulars, orders and guidelines and take all such actions as may be necessary for filing of these documents including incorporating such alterations/corrections/modifications as may be required by and to submit undertakings/certificates or provide clarifications to SEBI or any other relevant governmental and statutory authority;

(xv) seeking the listing of the Equity Shares on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;

(xvi) to issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more Stock Exchanges, with power to authorise one or more officers of our Company to sign all or any of the aforestated documents;

(xvii) to make applications for listing of the Equity Shares on the stock exchange for listing of the Equity Shares of our Company and to execute and to deliver or arrange the delivery of necessary documentation to the stock exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;

(xviii) accept and appropriate proceeds of the Fresh Issue in accordance with the applicable laws;

(xix) to do all such deeds and acts as may be required to dematerialise the Equity Shares of our Company and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of our Company to execute all or any of the aforestated documents;

(xx) to authorise and approve the incurring of expenditure and payment of fees, commissions, remuneration and expenses in connection with the initial public offering;

(xxi) to withdraw the draft red herring prospectus or the RHP or to decide not to proceed with the initial public offering at any stage in accordance with the SEBI ICDR Regulations and applicable laws;

(xxii) to do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in consultation with the book running lead managers, deem necessary or desirable for the initial public offering, including without limitation, determining the anchor investor portion and allocation to anchor investors, finalizing the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws;

(xxiii) to settle all questions, remove any difficulties or doubts that may arise from time to time in regard to the initial public offering, including with respect to the issue, offer or allotment of the Equity Shares, terms of the initial public offering, utilisation of the initial public offering proceeds, appointment of intermediaries for the initial public offering and such other issues as it may, in its absolute discretion deem fit;

(xxiv) to take such action, give such directions, as may be necessary or desirable as regards the initial public offering and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the initial public offering, as are in the best interests of our Company;

(xxv) to negotiate, finalise, settle, execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as may be deemed necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the initial public offering. Any documents or instruments so executed and delivered or acts and things done or caused to be done by the Board shall be conclusive evidence of the authority of the Board in so doing; and to delegate any of the powers mentioned in (i) to (xxv) to such persons as the IPO Committee may deem necessary..

Investment Committee

The Investment Committee currently comprises:

Name	Position in the committee	Designation
Haris Ansari	Member	Independent Director
Rajendra Prabhakar Chitale	Member	Chairman and Independent Director
Dr.Thomas Matthew	Member	Independent Director
Chhaya Virani	Member	Independent Director
Rakesh Jain	Member	Executive Director and CEO
Hemant Kumar Jain	Member	Chief Financial Officer
Ramkumar K.	Member	Chief Investment Officer
Nanda Sambrani	Member	Head-Enterprise Risk and Compliance Group
Karthikeyan A.V.	Member	Appointed Actuary

Our Investment Committee was constituted by a resolution of our Board dated October 16, 2000 and was last reconstituted by a resolution of our Board dated October 25, 2018. The terms of reference of our Investment Committee include the following:

(i) to lay down and recommend investment policy and operational framework for the investment operations of the insurer with focus on asset liability management supported by robust internal control systems;

(ii) periodic review of the investment policy based on the performance of investments and the evaluation of dynamic market conditions;

(iii) implement the investment policy duly approved by the Board;

(iv) submission of performance report of investments on quarterly basis and also provide an analysis of investment portfolio and on the future outlook to enable the Board to look at possible policy changes and strategies; and

(v) to independently review investment decisions which should be duly supported by due diligence process carried out by the investment team.

Asset Liability Management Committee

The Asset Liability Management Committee currently consists of:

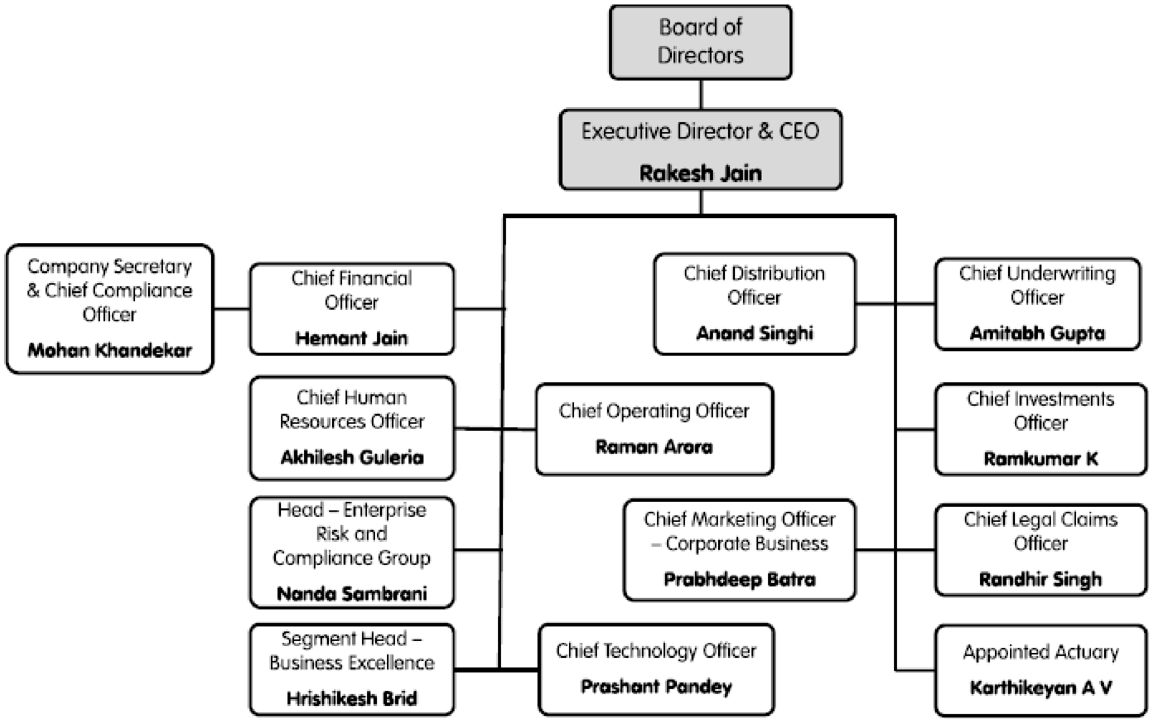
Name	Position in the committee	Designation
Rakesh Jain	Member	Executive Director and CEO
Hemant Kumar Jain	Member	Chief Financial Officer
Ramkumar K.	Member	Chief Investments Officer
Nanda Sambrani	Member	Head - Enterprise Risk and Compliance Group
Karthikeyan A.V.	Member	Appointed Actuary

Our Asset Liability Management Committee was constituted by a resolution of our Board dated October 24, 2009, in compliance with the IRDAI Corporate Governance Guidelines, and was last reconstituted on September 8, 2017. The terms of reference of the Asset Liability Management Committee include the following:

(i) set our Company's risk/reward objectives and assess policyholders expectations;
(ii) quantify the level of risk exposure (example: market, credit and liquidity) and assess the expected rewards and costs associates with the risk exposure;
(iii) formulate and implement optimal asset liability management strategies and meet risk/reward objectives. The strategies must be laid down both at product level and enterprise level;
(iv) ensure that liabilities are backed by appropriate assets and manage mismatches between assets and liabilities to ensure they remain within acceptable monitored tolerances for liquidity, solvency and the risk profile of the entity;
(v) law down the risk tolerance limits;
(vi) regularly review and monitor the mismatch between assets and liabilities and the acceptable tolerance limits for mismatch, if any;
(vii) ensure that management and valuation of all assets and liabilities comply with standards, prevailing legislation and internal and external reporting requirements;
(viii) monitor risk exposure at period intervals and revise asset liability management strategies where required;
(ix) review, approve and monitor systems, controls and reporting used to manage balance sheet risks including mitigation strategies;
(x) review key methodologies and assumptions including actuarial assumptions used to value assets and liabilities;
(xi) manage capital requirements at our Company level using the regulatory solvency requirements;
(xii) review, approve and monitor capital plans and related decisions over capital transactions (example: dividend payments, acquisitions, disposals etcetera.); and
(xiii) place the asset liability management information before the Board at periodic intervals and also carry out annual review of strategic asset allocation.

In addition to the committees of our Board detailed above, our Board may, from time to time, constitute committees for various functions.

Management Organisation Structure



Key Management Personnel

The following persons are the Key Management Personnel of our Company:

1. Rakesh Jain
2. Hemant Kumar Jain
3. Mohan Khandekar
4. Anand Singhi
5. Amitabh Gupta
6. Ramkumar K.
7. Randhir Singh
8. Karthikeyan A.V.
9. Akhilesh Guleria
10. Nanda Sambrani
11. Hrishikesh Brid
12. Prashant Pandey
13. Prabhdeep Batra
14. Raman Arora

Rakesh Jain, our Executive Director and CEO, Hemant Kumar Jain, our Chief Financial Officer, and Mohan Khandekar, our Company Secretary & Chief Compliance Officer are our key managerial personnel of our Company as defined in Section 2(51) of the Companies Act, 2013.

All the Key Management Personnel are permanent employees of our Company.

Brief profiles of our Key Management Personnel

For a brief profile of Rakesh Jain, see "*Our Management - Brief Profiles of our Directors*" on page 194.

The details of our other Key Management Personnel as of the date of this Draft Red Herring Prospectus are set forth below:

Hemant Kumar Jain, aged 45 years, is our Chief Financial Officer. He is a member of the Institute of the Chartered Accountants of India. He has previously worked at Bajaj Allianz General Insurance Company Limited, Satyam Computer Services Limited and Rajasthan Fasteners Private Limited. He has been associated with our Company since May 7, 2008. Our Company paid him a remuneration of ₹ 12.31 million in Fiscal 2018. Further, an amount of ₹ 2.69 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Mohan Khandekar, aged 53 years, is our Company Secretary & Chief Compliance Officer. He holds a bachelor's degree in law from the University of Mumbai, and is also an associate of the Institute of Company Secretaries of India. He has previously worked at Mangalore Refinery and Petrochemicals Limited and has experience in the fields of legal and secretarial compliance. He has been associated with our company since October 20, 2005. Our Company paid him a remuneration of ₹ 6.22 million in Fiscal 2018. Further, an amount of ₹ 1.34 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Anand Singhi, aged 39 years, is our Chief Distribution Officer. He is a member of the Institute of the Chartered Accountants of India. He has been associated with our Company since May 21, 2012. He has previously worked at ICICI Lombard General Insurance Company Limited and has experience in the fields of operations and product development. Our Company paid him a remuneration of ₹ 16.45 million in Fiscal 2018. Further, an amount of ₹ 4.29 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Amitabh Gupta, aged 51 years, is our Chief Underwriting Officer. He holds a bachelor's degree in science from the University of Garhwal, Srinagar. He is also an associate of the Insurance Institute of India. He has been associated with our Company since April 11, 2002. He has previously worked at United India Insurance Company Limited and has experience in the field of general insurance. Our Company paid him a remuneration of ₹ 6.96 million in Fiscal 2018. Further, an amount of ₹ 1.39 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Ramkumar K., aged 54 years, is our Chief Investments Officer. He holds a bachelor's degree in science from the University of Madras and a diploma in business finance from the Institute of Chartered Financial Analysts of India. Further, he has passed the final examination of the Institute of Cost and Works Accountants of India, and is an associate of the Indian Institute of Bankers. He has been associated with our Company since March 24, 2011. He has previously worked at Sundaram BNP Paribas Asset Management Company Limited. Company paid him a remuneration of ₹ 9.80 million in Fiscal 2018. Further, an amount of ₹ 2.62 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019

Randhir Singh, aged 46 years, is our Chief Legal Claims Officer. He holds a bachelor's degree in arts from Panjab University, a bachelor's degree in law from Ranchi University and a post-graduate diploma in human resource management from Symbiosis Centre for Distance Learning. He has been with associated with our Company since February 10, 2012. He has previously worked at ICICI Lombard General Insurance Company Limited. Our Company paid him a remuneration of ₹ 8.01 million in Fiscal 2018. Further, an amount of ₹ 1.61 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Karthikeyan A.V., aged 39 years, is our Appointed Actuary and the IRDAI vide their approval letter bearing reference no. IRDAI/ACTL/AA NURGIC/2018-19 dated January 18, 2019 have approved his appointment with effect from December 15, 2018. He holds a master's degree in business administration from Bharathidasan University. He is also a fellow of the Institute of Actuaries of India. He has been associated with our Company since July 11, 2016. He has previously worked at SBI General Insurance Company Limited and has experience in the fields of underwriting and actuarial sciences. Our Company paid him a remuneration of ₹ 8.56 million in Fiscal 2018. Further, an additional amount of ₹ 1.61 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Nanda Sambrani, aged 53 years, is our Head – Enterprise Risk and Compliance Group. She holds a bachelor's degree in science from Osmania University, and is a fellow of the Insurance Institute of India. She has been associated with our Company since May 8, 2003. She has previously worked at United India Insurance Company Limited and has experience in the field of underwriting claims across various verticals. Our Company paid her a remuneration of ₹ 5.27 million in Fiscal 2018. Further, an amount of ₹ 1.13 million was payable to her in Fiscal 2018 and was paid by our Company to her in Fiscal 2019.

Hrishikesh Brid, aged 37 years, is our Segment Head - Business Excellence. He holds a bachelor's degree in engineering from the University of Mumbai, and a post graduate diploma in operations management from Welingkar Institute of Management Development & Research. He has been associated with our Company since October 10, 2011. He has previously worked at Wipro Limited. Our Company paid him a remuneration of ₹ 2.47 million in Fiscal 2018. Further, an amount of ₹ 0.50 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019

Akhilesh Guleria, aged 41, is our Chief Human Resources Officer. He has a bachelor's degree in commerce from the University of Delhi and a post-graduate diploma in management from Indian Institute of Modern Management. He joined our Company in June 25, 2018. His last assignment was with TATA AIG General Insurance as Head - Corporate HR. He has previously worked with Reliance Wellness Ltd., YES Bank and RBL Bank. He has also worked with the Indian Army under Short Service scheme. Our Company has not paid him any remuneration in Fiscal 2018.

Prashant Pandey aged 41 is our Chief Technology Officer. He completed a bachelor's degree in engineering from the University of Mumbai and has over 16 years of experience in the field of Information Technology. He joined our Company on October 7, 2005. Prior to joining our Company, he was a lecturer in K.J. Somaiya College of Engineering, Mumbai. Our Company paid him a remuneration of ₹ 7.52 million in Fiscal 2018. Further, an amount of ₹ 1.69 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Prabhdeep Batra aged 45 is our Chief Marketing Officer – Corporate Business. He has a bachelor's degree in commerce from Sri Venkateswara College and a post graduate diploma in financial strategy from the University of Oxford. He is also an associate of the Insurance Institute of India and has an honours diploma in systems management from the National Institute of Information Technology. He joined our Company on January 31, 2011. He has previously worked with Cholamandalam MS General Insurance and Allianz Securities Limited. Our Company paid him a remuneration of ₹ 6.89 million in Fiscal 2018. Further, an amount of ₹ 1.46 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Raman Arora aged 40 is our Chief Operating Officer. He is a qualified Chartered Accountant and Company Secretary with over 14 years of experience in the field of operations, joined our Company on May 18, 2012. Prior to joining our Company, he was associated with ICICI Lombard General Insurance Co. Ltd. Our Company paid him a remuneration of ₹ 8.27 million in Fiscal 2018. Further, an amount of ₹ 1.87 million was payable to him in Fiscal 2018 and was paid by our Company to him in Fiscal 2019.

Relationship among Key Management Personnel
Our Key Management Personnel are neither related to each other nor related to any of the Directors.

Bonus or profit sharing plan for the Key Management Personnel

Except for the performance-linked variable pay plan which our Key Management Personnel are entitled to, there is no bonus or profit sharing plan for the Key Management Personnel of our Company.

Shareholding of Key Management Personnel

None of our Key Management Personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Service Contracts with Key Management Personnel

None of our Key Management Personnel have entered into any service contracts with our Company, pursuant to which they are entitled to benefits upon termination of employment.

Interest of Key Management Personnel

None of our Key Management Personnel have any interest in our Company except to the extent of remuneration received from our Company and Group Companies, stock options granted to them under an ESOP scheme and benefits and reimbursement of expenses incurred by them in the ordinary course of business. Certain of our Key Management Personnel may also be deemed to be interested to the extent of employee stock options or phantom stock options held by them or that may be granted to them from time to time under the RGICL ESOP 2017 and RGICL Phantom Stock Option Scheme 2015

The attrition of our Key Management Personnel is not high compared to the industry in which we operate

Contingent and deferred compensation payable to Key Management Personnel

Except for the performance linked variable pay plan, there is no contingent or deferred compensation payable to our Key Management Personnel.

Changes in Key Management Personnel during the last three years

Changes in our Key Management Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name	Date of change	Reasons for Change
Akhilesh Guleria	July 1, 2018	Appointment as Chief Human Resources Officer
Anil Kumar Satyavarpu	June 30, 2018	Transferred to Reliance Commercial Finance Limited as Chief Human Resources Officer
Prashant Pandey	April 17, 2018	Appointment as Chief Technology Officer
Raman Arora	April 17, 2018	Appointment as Chief Operating Officer
Prabhdeep Batra	April 17, 2018	Appointment as Chief Marketing Officer-Corporate Business
Sudip Banerjee	March 31, 2018	Transferred to Reliance Capital Limited as Chief Technology Officer
Amit Ganorkar	August 23, 2017	Resignation as Chief Marketing Officer
Anand Singhi	August 7, 2017	Appointment as Chief Distribution Officer
Amitabh Gupta	August 7, 2017	Appointment as Chief Underwriting Officer
Nanda Sambrani	August 7, 2017	Appointment as Head Enterprise Risk and Compliance Group
Sudip Banerjee	August 7, 2017	Appointment as Chief Operating Officer
Vivek Gambhir	August 3, 2017	Resignation as Chief Underwriting Officer

Name	Date of change	Reasons for Change
Karthikeyan A.V.	December 16, 2016	Appointment as Appointed Actuary
Vivek Gambhir	July 21, 2016	Appointment as Chief Underwriting Officer
Mukul Kishore	July 20, 2016	Resignation as Chief Underwriting Officer
Hrishikesh Brid	June 1, 2016	Appointment as Segment Head-Business Excellence
Manish Aggarwal	April 27, 2016	Resignation as Head-Quality & KM

Payment of non-salary related benefits to officers of our Company

Our Board by its resolution dated July 29, 2015 approved the RGICL Phantom Stock Option Scheme 2015, ("**Phantom Stock Plan**")

The Phantom Stock Plan provides employee grantees the right, but not an obligation, to apply for and receive certain 'appreciation' to be settled by way of cash, which will be determined on the basis of a pre-determined valuation formula. The grant of phantom stock options does not however entitle the employee grantees to any right or status as a shareholder of our Company.

The vesting period of phantom stock options ranges from one year to five years. The specific vesting schedule and vesting conditions are specified in the individual grant letters. In terms of the Phantom Stock Plan, subject to continuous employment, employees are entitled to exercise their vested options within three years from the last date of vesting. In the event of cessation of employment due to inter alia resignation, retirement or death, the settlement of options is carried out in accordance with the Phantom Stock Plan.

As on the date of this Draft Red Herring Prospectus, 20,11,606 phantom stock options have been granted to 31 employees of our Company (the effect of Bonus issue on the outstanding options as on March 31, 2018), of which 11,10,594 have vested and 3,47,039 have been exercised. Further, 2,07,814 phantom stock options granted have lapsed or been forfeited, and an aggregate amount of 4,55,47,463 has been paid to the option grantees consequent to exercise of the vested options redemption of the vested options.

Our Company has also adopted an employee stock option plan. For details of the RGICL ESOP 2017, see "*Capital Structure-Employee Stock Option Scheme*" on page 82 of this Draft Red Herring Prospectus.

In accordance with the IRDAI (Loans or Temporary advances to the Fulltime employees of the Insurers), Regulations 2016, our Board in its meeting dated August 21, 2018 has adopted "Policy on Loans or Temporary advances to the Fulltime employees" (the **"Policy"**). As per this Policy, our Company may grant interest-free loans or temporary advances to its fulltime employees in the following cases: a) medical/ health exigencies of employees or their immediate family members; and b) any other exigencies caused by natural calamities or force majeure.

Except for the Phantom Stock Plan and RGICL ESOP 2017 and under the Policy, no non-salary related amount or benefit has been paid or given or is intended to be paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus, other than in the ordinary course of their employment.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Directors or Key Management Personnel have been appointed/ selected as a director or a member of senior management pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

The Promoter of our Company is Reliance Capital Limited.

For details of the build-up of our Promoter' shareholding in our Company, see "*Capital Structure – Notes to Capital Structure*" on page 75.

The details of our Promoter are as follows:

Reliance Capital Limited ("Reliance Capital")

Corporate information

Our Promoter, Reliance Capital was originally incorporated on March 5, 1986 as 'Reliance Capital & Finance Trust Limited' under the Companies Act, 1956 with a certificate of incorporation issued by the Registrar of Companies, Gujarat, at Ahmedabad. Subsequently, with effect from January 6, 1995, the name of the company was changed to its present name, and a fresh certificate of incorporation was issued by the Registrar of Companies, Gujarat, at Ahmedabad on January 6, 1995.

Pursuant to an order dated November 2, 2006, passed by the Company Law Board, Western Region Bench, Mumbai, Reliance Capital shifted its registered office from the State of Gujarat to the State of Maharashtra, this shift was registered with the Registrar of Companies on November 20, 2006. Its corporate identity number is L65910MH1986PLC165645 and its registered office is presently located at 'H' Block 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai, Maharashtra 400 710, India. The equity shares of Reliance Capital are currently listed on BSE and NSE.

Reliance Capital is engaged in the business of finance and investment and has interests in companies engaged in asset management, life, general and health insurance, commercial and home finance, stock broking, wealth management services, distribution of financial products, asset reconstruction, proprietary investments and other activities in financial services.

Changes in activities

Reliance Capital was previously registered with RBI as a systemically important non-deposit taking NBFC. However, with effect from August 31, 2018 registered with RBI as a systemically important non-deposit core investment company.

Board of Directors

The following table sets forth details regarding the board of directors of Reliance Capital as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the director	Designation
1.	Anil D. Ambani	Chairman and Non-Executive Director
2.	Amitabh Jhunjhunwala	Vice-Chairman and Non-Executive Director
3.	Rajendra Prabhakar Chitale	Independent Director
4.	Dr. Bidhubhusan Samal	Independent Director
5.	Vijayendra Nath Kaul	Independent Director
6.	Chhaya Virani	Independent Director
7.	Jai Anmol Ambani	Executive Director

Capital structure

The authorised share capital of Reliance Capital is ₹ 4,000,000,000 divided into 300,000,000 equity shares of ₹ 10 each and 100,000,000 preference shares of ₹ 10 each. The issued, subscribed and paid up equity share capital of Reliance Capital is ₹ 2,527,089,020 divided into 252,708,902 equity shares of ₹ 10 each.

Shareholding pattern of Reliance Capital

The following table sets forth details of the summary statement of the shareholding pattern of Reliance Capital as on December 31, 2018:

Category (I)	**Category of Shareholder (II)**	**Number of Shareholders (III)**	**No. of fully paid up equity shares held (IV)**	**No. of Partly paid-up equity shares held (V)**	**No. of shares underlying Depository Receipts (VI)**	**Total nos. shares held (VII) = (IV)+(V)+ (VI)**	**Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)**	**Number of Voting Rights held in each class of securities (IX)**				**No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)**	**Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)**	**Number of locked in shares (XII)**		**Number of Shares pledged or otherwise encumbered (XIII)**		**Number of equity shares held in dematerialised form (XIV)**
								No of Voting Rights			**Total as a % of (A+B+C)**			**No. (a)**	**As a % of total Shares held (b)**	**No. (a)**	**As a % of total Shares held (b)**	
								Class	**Class**	**Total**								
								(Equity)	NA									
(A)	**Promoter and Promoter Group**	9	131,382,303	0	0	131,382,303	52.24	131,382,303	0	131,382,303	51.99	NA	NA	0	0	97,940,242	74.55 %	131,382,303
(B)	**Public**	758,893	118,510,180	0	0	118,510,180	47.12	118,510,180	0	118,510,180	46.90	NA	NA	0	0	NA		115,299,541
(C)	**Non Promoter-Non Public**	2	2,816,419	0	0	2,816,419	0.64	2,816,419	0	2,816,419	1.11	NA	NA	0	0	NA		2,816,419
(C_1)	Shares underlying DRs	1	1,216,419	0	0	1,216,419	0	1,216,419	0	1,216,419	0.48	NA	NA	0	0	NA		1,216,419
(C_2)	Shares held by Employee Trusts	1	1,600,000	0	0	1,600,000	0.64	1,600,000	0	1,600,000	0.63	NA	NA	0	0	NA		1,600,000
	Total (A) + (B) + (C)	**758.904**	**252,708,902**	**0**	**0**	**252,708,902**	**100**	**252,708,902**	**0**	**252,708,902**	**100**	**NA**	**NA**	**0**	**0**	**97,940,242**	**38.76 %**	**249,498,263**

Promoter of Reliance Capital:

1. Anil D. Ambani is the promoter of Reliance Capital Limited; and
2. There has been no change in the control of Reliance Capital in the three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the details of the PAN, bank account numbers, the corporate identity number of Reliance Capital, and the address of Registrar of Companies with whom Reliance Capital is registered have been submitted with the Stock Exchanges at the time of submission of this Draft Red Herring Prospectus.

Interest of Reliance Capital in the Promotion of our Company

Reliance Capital is interested in our Company to the extent of its shareholding in our Company and the dividend declared, if any and any other distributions in respect of its shareholding in our Company. For further details, see *"Capital Structure"* on page 75.

Interest of Reliance Capital in the Property of our Company

Reliance Capital does not have any interest in any property acquired by our Company within three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction for acquisition of land, construction of buildings and supply of machinery etc.

Interest of Reliance Capital in our Company other than as Promoter

Except as stated in this section and *"Risk Factors - We have entered into certain related party transactions, and we may continue to do so in the future*" and *"Related Party Transactions*" on pages 45 and 232, Reliance Capital does not have any other interest in our Company other than as Promoter.

Interest of Reliance Capital in our Company arising out of being a member of firm or company

Our Company has not made any payments in cash or shares or otherwise to Reliance Capital or to firms or companies in which Reliance Capital is interested as members or Promoter nor has Reliance Capital been offered any inducements to become interested in any firm or company, in connection with the promotion or formation of our Company, except for reimbursement of incorporation expenses, if any, by any person.

Payment of amounts or benefits to Reliance Capital during the last two years given or intended to be given

Except for the transactions disclosed in the section *"Related Party Transactions*" and dividends received by Reliance Capital, no amount or benefit has been paid by our Company to Reliance Capital in the two years preceding the date of this Draft Red Herring Prospectus or is intended to be given. For details see *"Related Party Transactions*" on page 232.

Disassociation by Reliance Capital in the last three years

Except as provided below, Reliance Capital has not disassociated itself from any venture during the three years preceding the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Date of disassociation	Name of the venture	Particulars
1.	November 29, 2017	Quant Institutional Equities Private Limited (formerly Quant Commodity Broking Private Limited)	Ceased to be an associate of Reliance Capital.
2.	February 7, 2017	Reliance Money Express Limited	Ceased due to merger with Reliance Securities Limited.
3.	July 7, 2016	Quant Capital Finance and Investments Private Limited	Ceased due to sale of shares.

Other confirmations by our Promoter and Promoter Group

Change in control

Reliance Capital has been a promoter of our Company throughout the five years immediately preceding the date of this Draft Red Herring Prospectus.

Payment of amounts or benefits to our Promoter Group during the last two years

Except for transactions disclosed in this section, dividends received by our Promoter Selling Shareholder, and transactions disclosed in *"Related Party Transactions*" on page 232, no amount or benefit has been paid by our Company to the members of our Promoter Group in the two years preceding the date of this Draft Red Herring Prospectus.

Related Party Transactions

Except as stated in *"Related Party Transactions*" on page 232, our Company has not entered into any related party transactions with our Promoter during the last three fiscal years and the six months ended September 30, 2018.

Promoter Group

Other than Reliance Capital, the companies and entities that form part of our Promoter Group are as follows:

Sr. No.	Name of Promoter Group Entity
Companies	
1.	Reliance Home Finance Limited
2.	Reliance Securities Limited
3.	Reliance Corporate Advisory Services Limited
4.	Reliance Nippon Life Insurance Company Limited
5.	Reliance Capital Trustee Co. Limited
6.	Reliance Capital Pension Fund Limited
7.	Reliance Wealth Management Limited
8.	Reliance Money Solutions Private Limited
9.	Reliance Commodities Limited
10.	Reliance Money Precious Metals Private Limited
11.	Reliance Financial Limited
12.	Reliance Commercial Finance Limited
13.	Reliance Health Insurance Limited
14.	Reliance Asset Reconstruction Company Limited
15.	Reliance Inceptum Private Limited
16.	Reliance Exchangenext Limited
17.	Reliance Capital AIF Trustee Company Private Limited
18.	Reliance Nippon Life Asset Management Limited
19.	Quant Capital Private Limited
20.	Quant Broking Private Limited
21.	Quant Securities Private Limited
22.	Quant Investment Services Private Limited
23.	Ammolite Holdings Limited

Shareholding of the Promoter Group in our Company

Except our Promoter, none of the members of our Promoter Group hold any Equity Shares. For details see "*Capital Structure – Notes to Capital Structure - Shareholding of our Promoter, the members of our Promoter Group, and the directors of our Promoter*" on page 78.

Guarantees

Our Promoter has not given any guarantee to a third party as of the date of this Draft Red Herring Prospectus in respect of the Equity Shares.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, for the purpose of identification of "group companies", our Company has considered:

- *companies (other than our Promoter) with which there were related party transactions, during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under Accounting Standard 18; and*

- *other companies that are considered material by our Board.*

*Pursuant to the materiality policy approved by our Board on January 30, 2019, ("**Materiality Policy**") for the purpose of disclosure as a group company in this Draft Red Herring Prospectus, a company shall be considered material if:*

(a) *it had related party transactions with our Company, during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under Accounting Standard 18; and/or*

(b) *it is a member of the Promoter Group (other than the Promoter Selling Shareholder) in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and has entered into one or more transactions with our Company in the most recent financial year and any stub period (in respect of which restated audited financial statements are included in the Offer Documents) that cumulatively exceed 10.00% of the total revenue of our Company for the last completed financial year covered in the Restated Financial Information.*

Based on the foregoing, our Group Companies are as follows:

1. Reliance Nippon Life Insurance Company Limited
2. Reliance Infratel Limited*
3. Reliance Home Finance Limited
4. Reliance Communications Limited*
5. Reliance Nippon Life Asset Management Limited*
6. Big Animation (India) Private Limited*
7. Big Flicks Private Limited*
8. Campion Properties Limited*
9. Globalcom IDC Limited*
10. Reliance Asset Reconstruction Company Limited*
11. Reliance AIF Management Company Limited*
12. Reliance Big Broadcasting Private Limited*
13. Reliance Big Entertainment Private Limited*
14. Reliance BPO Private Limited*
15. Reliance Commercial Finance Limited
16. Reliance Commodities Limited
17. Reliance Communications Infrastructure Limited*
18. Reliance Capital Trustee Company Limited
19. Reliance Corporate Advisory Services Limited
20. Reliance Financial Limited
21. Reliance Globalcom Limited*
22. Reliance Innoventures Private Limited*
23. Reliance Wealth Management Limited
24. Reliance Realty Limited*
25. Reliance Tech Services Limited*
26. Reliance Telecom Limited*
27. Reliance Transport and Travels Private Limited*
28. Reliance Health Insurance Limited
29. Reliance Money Solutions Private Limited
30. Reliance Money Precious Metals Private Limited
31. Reliance Securities Limited
32. Zapak Digital Entertainment Limited*
33. Zapak Mobile Games Private Limited*

34. Reliance Capital Pension Fund Limited

**These companies had non-material related party transactions with our Company in the ordinary course of business and as required under the SEBI ICDR Regulations, these entities are being disclosed as Group Companies. These entities are no longer related parties as on the date of this DRHP. Please refer to the "Financial Statements" beginning on page 234, which contains the list of related parties for further information.*

The details of our Group Companies are provided below.

Top five Group Companies:

Our top five Group Companies comprising (a) three equity listed Group Companies and (b) the top two unlisted Group Companies on the basis of turnover in Fiscal 2018 calculated on a standalone basis, are as follows. The financial information referred to in this section are as per accounting standards as applicable in the relevant reporting period.

(i) Reliance Nippon Life Insurance Company Limited ("Reliance Nippon Life")

Reliance Nippon Life was incorporated as a company on May 14, 2001. Reliance Nippon Life is engaged in the business of providing life insurance services.

Financial Information

Set forth below is certain financial information of Reliance Nippon Life based on its audited standalone financial statements for the last three audited Fiscal Years.

(in ₹ million, except per share data)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Equity Capital	11,963.24	11,963.24	11,963.24
Reserves and surplus (excluding revaluation reserves)	3,306.31	3,392.83	3,144.19
Total Income	57,810.80	59,927.91	51,070.26
Profit/(Loss) after Tax	5.31	(611.26)	(1,972.78)
Basic EPS	0.004	(0.51)	(1.65)
Diluted EPS	0.004	(0.51)	(1.65)
Net asset value per share*	10.61	10.68	10.98

**Book value per share is treated as net asset value per share*

There are no significant notes of the auditors in relation to the aforementioned financial statements.

(ii) Reliance Infratel Limited ("Reliance Infratel")

Reliance Infratel was incorporated as a company on April 16, 2001. Reliance Infratel is engaged in the business of providing telecom tower and passive infrastructure services.

Financial Information

Set forth below is certain financial information of Reliance Infratel based on its audited standalone financial statements for the last three audited Fiscal Years.

(in ₹ million, except per share data)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Equity Capital	27,930.00	27,930.00	27,930.00
Reserves and surplus (excluding revaluation reserves)	(14,410.00)	(7,250.00)	(1,680.00)
Sales/Turnover	34,320.00	60,910.00	45,990.00
Profit/(Loss) after Tax	(7,140.00)	(5,530.00)	2,280.00
Basic EPS*	(2.56)	(1.98)	0.82
Diluted EPS*	(2.56)	(1.98)	0.82
Net asset value per share	4.84	7.40	9.40

**After exceptional items*

The significant notes of the auditors in relation to the aforementioned financial statements are as below:

"**Fiscal 2018**

Basis for Qualified Opinion

We draw attention to note number 2.31.01 of the standalone Ind AS financial statement regarding non-provision of interest on borrowings amounting to ₹ 287 Crore for the year ended 31st March, 2018 for the reasons provided by the management therein. Had such interest has been provided then the reported loss after tax for the year ended 31st March, 2018 would have been ₹ 1,001 Crore and the net worth of the company would have been ₹ 1,065 crore .

Note 2.31.01 of Financial statement

Non Provision of Interest

The company was engaged with joint lenders' forum (JLF), constituted on June 2, 2017 and under standstill period till December 2017 pursuant to the Strategic Debt Restructuring Scheme (SDR Scheme) of Reserve Bank of India (RBI). Consequent to circular of 12th February, 2018 of RBI, the company continued to work closely with the lenders to finalise an overall debt resolution plan. pursuant to strategic transformation programme, as a part of debt resolution plan of the company under consideration inter alia of the lenders, the company, its ultimate holding company Reliance Communications Limited (RCOM) and fellow subsidiary, Reliance Telecom Limited (RTL), with the permission of and on the basis of suggestions of the lenders, had for monetization of some specified assets, entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) on December 28, 2017 for sale of tower and fibre assets. The company expected to close these transactions in a phased manner. The company is confident that a suitable resolution plan would be formulated along with its lenders. During the year, the company considering all factors including the company's request for waiver of interest, overall debt resolution plan under consideration and with a view to reflecting fairly the position for the purpose of presentation in respect of the company's obligation for payment of interest and, without implying in any way that the terms of lending by the banks and other lenders are altered, has not provided interest of ₹ 287 crore. Had the Company provided interest, the loss would have been higher by ₹ 287 crore but the impact is likely to be nil if request for waiver is accepted by lenders.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except to the matters describe in the basis for qualified opinion paragraph above, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the company as at 31stMarch 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

Going Concern

We draw attention to Note 2.34 of the standalone Ind AS financial Statement, regarding monetization of assets, the company had entered into the Definitive Binding Agreement dated December 28, 2017 with Reliance Jio Infocomm Limited (Rjio) for sale of tower and ofc. The company is expected to close these transactions in phased manner. The company's appeal in National Company Law Appellate Tribunal (NCLAT) is pending. In case of litigations/ claims, no significant and material orders have been passed by any regulator or court or tribunal impacting the going concern status. Considering these developments, the financial statements continue to be prepared on going concern basis. Opinion is not modified in respect of this above matters.

Note: 2.34 of Financial Statement

Going Concern

the company was engaged with Joint Lenders' Forum (JLF), constituted on June 2, 2017 and under standstill period till December 2017 pursuant to the Strategic Debt Restructuring Scheme (SDR Scheme) of Reserve Bank of India (RBI). Consequent to circular of 12th February, 2018 of RBI, the company continued to work closely with the Lenders to finalise an overall debt resolution plan. Pursuant to strategic transformation programme, as a part of debt resolution plan of the company under consideration inter alia of the lenders, the company, its ultimate holding company Reliance Communications Limited (RCOM) and fellow subsidiary, Reliance Telecom Limited (RTL), with the permission of and on the basis of suggestions of the lenders, had for monetization of some specified assets, entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) on December 28, 2017 for sale of tower and fibre assets. The company expected to close these transactions in a phased manner. The company is confident that a suitable resolution plan would be formulated along with its lenders. Further, minority shareholders holding 4.26% stake in the company have accused the management of "Oppression of minority shareholders and mismanagement" and filed a petition in NCLT. Based on an amendment to the petition the NCLT stayed the company's proposed sale (Tower and Fibre). The company's appeal in National Company Law Appellate Tribunal (NCLAT) is pending. In case of litigations/ claims, no significant and material orders have been passed by any regulator or court or tribunal impacting the going concern status. Considering these developments, the financial statements continue to be prepared on going concern basis.

Fiscal 2017

Significant Notes of Auditors:

Emphasis of Matters

1. We draw your attention to Note 2.36 of the standalone Ind AS financial statements regarding the Scheme of Arrangement and Amalgamation ('the Scheme') sanctioned by the Hon'ble High Court of Judicature at Mumbai. The Scheme permits the company to adjust expenses and/or losses identified by the board of directors, which are required to be debited to the statement of profit and loss by a corresponding withdrawal from general reserve, which is considered to be an override to the relevant provisions of Schedule II of the Act and Indian Accounting Standard 8 (Ind AS 8) 'Accounting Policies, Changes in Accounting Estimates and Errors'. The company has identified exchange variations of ₹ Nil (previous year ₹ 0.47 crore (loss)), amortization of Foreign Currency Monetary Items Translation Difference Account (FCMITDA) of ₹ Nil crore (previous year ₹ 150 crore), and depreciation on exchange losses capitalised of ₹ 32 crore (previous year ₹ 38 crore), as in the opinion of the board, such exchange losses and depreciation are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from general reserve. Had such write off of expenses not been met from general reserve, the company would have reflected a loss after tax for the year of ₹ 585 crore (previous year profit after tax ₹ 40 crore). Our opinion is not qualified in this matter.

Note 2.36 to the Financial Statement

Exceptional Items

Pursuant to the direction of the Hon'ble High Court of Judicature of Mumbai and option exercised by the board of the company, in accordance with and as per the schemes of arrangement and amalgamation approved by the Hon'ble High Court vide orders dated March 16, 2007 and May 6, 2011 respectively binding on the company, expenses and/ or losses, identified by the board of the company as being exceptional or otherwise subject to the accounting treatment prescribed in the said Schemes and comprising of ₹ 32 crore (Previous year ₹ 38 crore) of depreciation consequent to addition of exchange difference on long term borrowing relating to capital assets to the cost of capitalised assets, as also ₹ Nil (Previous year ₹ 46,80,012 (loss)) of exchange variation (net) on items other than long term monetary items, ₹ Nil (Previous year ₹ 150 crore) being amortisation of Foreign Currency Monetary Items Translation Difference Account (FCMITDA) excluding the portion added to the cost of fixed assets or carried forward as FCMITDA in accordance with Para 46A inserted into Accounting Standard (AS) 11 "The Effects of Change in Foreign Exchange Rates" in context of unprecedented volatility in exchange rates during the year, have been met by withdrawal from General Reserve, leaving no impact on loss for the year ended March 31, 2017. While the company has been legally advised that such inclusion in statement of profit and loss is in accordance with Schedule III of the Companies Act, 2013. Had such write off of expenses and losses not been adjusted from General Reserve, the company would have reflected a loss after tax for the year of ₹ 585 crore (Previous year profit after tax of ₹ 40 crore)

2. We further draw your attention to Note 2.48 of the standalone Ind AS financial statements wherein the company has subscribed to preference shares aggregating ₹ 2,000 crore in a fellow subsidiary of the company and sold the same to its subsidiary at ₹ 200 crore, thereby incurring loss of ₹ 1,800 crore. The company considers this loss in substance to represent financial assistance provided by the company to its subsidiary. In view of the above transaction being with a subsidiary, we have relied upon explanation provided by the management regarding the bonafides of the transaction for the purpose of reporting requirement under Section 143(1)(c) of the Act. Our opinion is not qualified in this matter.

Note 2.48 to the Financial Statement

Subscription of Preference Shares

During the year, the company has subscribed to preference shares against a bonafide debt payable in money by a fellow subsidiary aggregating to ₹ 2,000 crore. The said preference shares were sold by the company to its subsidiary at ₹ 200 crore, thereby recording a loss of ₹ 1,800 crore.

Fiscal 2016

Emphasis of Matter

We draw your attention to Note 2.28 (a) of the financial statements regarding the Scheme of Arrangement and Amalgamation (‘the Scheme’) sanctioned by the Hon’ble High Court of Judicature at Mumbai. The Scheme permits the company to adjust expenses and/or losses identified by the board of directors, which are required to be debited to the statement of profit and loss by a corresponding withdrawal from general reserve, which is considered to be an override to the relevant provisions of Accounting Standard 5 (AS 5) ‘Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies’. The company has identified exchange variations of ₹ 46,80,012 (loss) (previous year ₹ 4 crore (gain)), amortization of Foreign Currency Monetary Items Translation Difference Account (FCMITDA) of ₹ 150 crore (previous year ₹ 264 crore), and depreciation on exchange losses capitalised of ₹ 38 crore (previous year ₹ 44 crore), as in the opinion of the board, such exchange losses and depreciation are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from general reserve. Had such write off of expenses not been met from general reserve, the company would have reflected a profit after tax for the year of ₹ 59 crore (previous year loss after tax ₹ 1,268 crore). Our opinion is not qualified in this matter.

Note 2.28(a) to the Financial Statement

Exceptional Items

(a) Pursuant to the direction of the Hon'ble High Court of Judicature of Mumbai and option exercised by the Board of the company, in accordance with and as per the Schemes of Arrangements and Amalgamation approved by the Hon'ble High Court vide orders dated March 16, 2007 and May 6, 2011 respectively binding on the company, expenses and/ or losses, identified by the board of the company as being exceptional or otherwise subject to the accounting treatment prescribed in the said Schemes and comprising of ₹ 38 crore (Previous year ₹ 44 crore) of depreciation consequent to addition of exchange difference on long term borrowing relating to capital assets to the cost of capitalised assets, as also ₹ 46,80,012 (loss) (Previous year ₹ 4 crore (net gain)) of exchange variation (net) on items other than long term monetary items, ₹ 150 crore (Previous year ₹ 264 crore) being amortisation of Foreign Currency Monetary Items Translation Difference Account (FCMITDA) excluding the portion added to the cost of fixed Assets or carried forward as FCMITDA in accordance with Para 46A inserted into Accounting Standard (AS) 11 "The Effects of Change in Foreign Exchange Rates" in context of unprecedented volatility in exchange rates during the year, have been met by withdrawal from general reserve, leaving no impact on profit/ loss for the year ended March 31, 2016. While the company has been legally advised that such inclusion in statement of profit and loss is in accordance with Schedule III of the Companies Act, 2013. Had such write off of expenses and losses not been adjusted from General Reserve, the company would have reflected a profit after tax for the year of ₹ 59 crore (Previous year loss after tax of ₹ 1,268 crore)."

(iii) Reliance Home Finance Limited ("Reliance Home")

Reliance Home was incorporated as a company on June 5, 2008. Reliance Home is a housing finance company engaged in the business of providing home loans, affordable housing loans, loan against property and construction finance and property services.

Financial Information

Set forth below is certain financial information of Reliance Home based on its audited standalone financial statements for the last three audited Fiscal Years.

(in ₹ million, except per share data)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Equity Capital	4,850.59	1,158.20	658.20
Reserves and surplus (excluding revaluation reserves)	14,130.34	9,827.32	5,543.00
Total Revenue	16,705.23	11,446.79	8,150.30
Profit/(Loss) after Tax	1,805.83	1,725.86	867.57
Basic EPS	5.57	20.45	13.18
Diluted EPS	5.55	20.45	13.18
Net asset value per share	30.09	89.14	114.10

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Share price information

The equity shares of Reliance Home are currently listed on the BSE and NSE. The highest and the lowest market price of the equity shares of Reliance Home during the immediate six months immediately preceding the date of this Draft Red Herring Prospectus is as follows:

Month	BSE		NSE	
	High (in ₹)	Low (in ₹)	High (in ₹)	Low (in ₹)
January, 2019	41.85	34.15	41.90	34.30
December, 2018	44.20	37.00	44.30	37.05
November, 2018	48.95	41.00	48.90	41.15
October, 2018	52.85	35.80	53.00	36.05
September, 2018	76.90	49.00	76.70	48.60
August, 2018	67.45	56.50	67.70	57.00

The closing price of the Reliance Home's equity shares as on February 7, 2019 on the BSE and NSE were ₹ 24.25 and ₹ 24.05, respectively.

(iv) Reliance Communications Limited ("Reliance Communications")

Reliance Communications was incorporated as a company on July 15, 2004. Reliance Communications is engaged in the business of telecommunications and allied business in relation thereto.

Financial Information

Set forth below is certain financial information of Reliance Communications based on its audited standalone financial statements for the last three audited Fiscal Years.

(in ₹ million, except per share data)

Particulars	Fiscal 2018*	Fiscal 2017	Fiscal 2016
Equity Capital	13,830.00	12,440.00	12,440.00
Reserves and surplus (excluding revaluation reserves)	79,330.00	228,400.00	262,060.00
Sales/Turnover	42,760.00	91,540.00	103,140.00
Profit/(Loss) after Tax	(98,700.00)	(17,960.00)	(3,790.00)

Particulars	Fiscal 2018*	Fiscal 2017	Fiscal 2016
Basic EPS**	(38.22)	(7.28)	(1.54)
Diluted EPS**	(38.22)	(7.28)	(1.54)
Net asset value per share	33.69	96.76	110.29

* *Includes discontinued operations*
***After exceptional items*

The significant notes of the auditors in relation to the aforementioned financial statements, are as below:

"**Fiscal 2018**

Basis of Qualified Opinion

We draw attention to note 2.50 of the standalone Ind AS financial statements regarding non-provision of interest on borrowings amounting to ₹ 3,055 crore for the year ended 31 March 2018 for the reason provided by the management therein. Had such interest been provided then the reported loss for the year ended 31st March, 2018 would have been ₹ 12,925 crore and networth of the Company would have been ₹ 6,261 crore.

Note 2.50 of Financial Statement

Non Provision of Interest

The company was engaged with joint lenders' forum (JLF), constituted on June 2, 2017 and under standstill period till December 2017 pursuant to the Strategic Debt Restructuring Scheme (SDR Scheme) of Reserve Bank of India (RBI). Consequent to circular of 12th February, 2018 of RBI, the company continued to work closely with the lenders to finalise an overall debt resolution plan. Pursuant to strategic transformation programme, as a part of debt resolution plan of the company under consideration, inter alia of the lenders, the company and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL), with the permission of and on the basis of suggestions of the lenders, had for monetization of some specified assets, entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) on December 28, 2017 for sale of wireless spectrum, towers, fiber and media convergence nodes (MCNs). Further, the company has also entered into a definitive binding agreement with Pantel Technologies Private Limited and Veecon Media and Television Limited for sale of its subsidiary company having DTH Business. The company and its said subsidiaries expected to close these transactions in a phased manner. In the meanwhile, Hon'ble National Company Law Tribunal (NCLT), Mumbai has, overruling the objections of the company as also its lenders represented by State Bank of India, the lead member, vide its order dated May 15, 2018 admitted applications filed by an operational creditor for its claims against the company and its subsidiaries; RTL and RITL and thereby admitted the companies to debt resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC). As a consequence, interim resolution professionals (IRPs) were appointed vide NCLT's order dated May 18, 2018. The company along with the support of the lenders filed an appeal with Hon'ble National Company Law Appellate Tribunal (NCLAT) challenging the order of NCLT admitting the company to IBC proceedings. The Hon'ble NCLAT, vide its order dated May 30, 2018, stayed the orders passed by NCLT and consequently, the board of the respective companies stands reinstated. Further, minority shareholders holding 4.26% stake in RITL had accused the management of RITL of "Oppression of minority shareholders and mismanagement" and filed a petition in NCLT. Based on an amendment to the Petition, the NCLT stayed RITL's proposed asset sale (tower and fibre). The parties have subsequently settled the dispute and the restriction on sale stands vacated. The company is confident that a suitable debt resolution plan would be formulated along with its lenders as per the strategic transformation programme.

During the year, considering all the factors including the company's request for waiver of interest and admission of the company to debt resolution process under the IBC, the company, with a view to reflecting fairly the position for the purpose of presentation in respect of the company's obligation for interest and without implying in any way that the terms of lending by banks and the other lenders are altered, has not provided interest of ₹ 3,055 crore. Had the company provided Interest, the loss would have been higher by ₹ 3,055 crore, but the impact is likely to be nil if request for waiver is accepted by lenders.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in Basis for Qualified Opinion paragraph above, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the company as at 31 March 2018 and it's loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw your attention to Note 2.34.1 (vi) of the standalone Ind AS financial statements regarding the Scheme of Arrangement ('the Scheme') sanctioned on 03 July 2009 by the Hon'ble High Court of Judicature at Mumbai. The company is permitted to adjust additional depreciation and amortisation, expenses and/or losses, which have been or are required to be debited to the statement of profit and loss by a corresponding withdrawal or credit from/to general reserve, as determined by the board of directors. During the year ended the company has withdrawn ₹ 280 crore (previous year ₹ 1,205 crore) to offset additional depreciation/ amortisation on account of fair valuation of certain assets which may be considered to override the relevant provisions of Schedule II of the Act and Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Our opinion is not qualified in respect of this matter

Note 2.34.1(vi) of Financial Statement

Additional depreciation of ₹ 280 crore (Previous year ₹ 1,205 crore) arising on fair value of the assets has been adjusted, consistent with the practice followed in earlier years, to General Reserve as permitted pursuant to the Scheme of Arrangement sanctioned vide an order dated July 3, 2009 by the Hon'ble High Court and as determined by the board of directors.

We further draw attention to Note 2.41 of the standalone Ind AS financial statements regarding the Scheme of Arrangements ('the Scheme') sanctioned by the Hon'ble High Court of Judicature at Mumbai and Gujarat. These schemes permit the company to adjust expenses and/or losses identified by the board of directors, which are required to be debited to the statement of profit and loss by a corresponding withdrawal from general reserve and reserve for business restructuring, which is considered to be an override to the relevant provisions of Ind AS 8. The company has identified net foreign exchange gain of ₹ 25 crore (previous year net foreign exchange ₹ 8 crore), amortisation of Foreign Currency Monetary Items Translation Account (FCMITDA) ₹ 252 crore (previous year ₹ 238 crore), depreciation on exchange losses capitalised of ₹ 221 crore (previous year ₹ 433 crore) and impairment charge arising on account of asset held for sale and dimunition in the value of investments ₹ 5,948 crore (previous year ₹ nil crore), as in the opinion of the board, such exchange variations are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from general reserve and reserve for business restructuring. Our opinion is not qualified in respect of this matter. Had the effect of paragraphs (a) and (b) above, not been met from general reserve and reserve for business restructuring, the company would have reflected a loss after tax for the year of ₹ 16,546 crore (previous year ₹ 3,680 crore).

Note: 2.41

Exceptional Items

Pursuant to the direction of the Hon'ble High Court of Judicature of Mumbai/ Gujarat and option exercised by the Board of the Company, in accordance with and as per the Scheme of Arrangement ("the Scheme") approved by the Hon'ble High Court vide order dated July 3, 2009 binding on the company, expenses and/ or losses, identified by the board of the company as being exceptional or otherwise subject to the accounting treatment prescribed in the schemes and comprising of ₹ 221 crore (Previous year ₹ 433 crore) of depreciation consequent to addition of exchange differences on long term borrowing relating to capital assets to the cost of capitalised assets, as also ₹ 25 crore (gain) (Previous year loss ₹ 8 crore) of exchange variation (net) on items other than long term monetary items,

₹ 252 crore (Previous year ₹ 238 crore) being amortization of FCMITDA excluding the portion added to the cost of fixed assets or carried forward as FCMITDA in accordance with Para 46 A inserted into the then applicable Accounting Standard (AS) 11 "The Effects of changes in Foreign Exchange Rates" in the context of unprecedented volatility in exchange rate during the year have been met by withdrawal from corresponding general reserves, leaving no impact on loss for the year ended March 31, 2018. Apart from this, ₹ 5,948 crore pertaining to impairment of assets and diminution in the value of investments have been withdrawn from general reserve and reserve for business restructuring. such withdrawals have been included/ reflected in the statement of profit and loss. the company has been legally advised that such inclusion in the statement of profit and loss is in accordance with Schedule III of the Companies Act, 2013. Had such write off of expenses, losses and depreciation/ amortisation (refer Note 2.34.1 (vi)) not met from general reserve, the company would have reflected a loss after tax for the year of ₹ 16,546 crore (Previous year loss after tax of ₹ 3,680 crore).

We draw attention to Note 2.50 of the Standalone Ind AS financial statement, regarding the definitive binding agreement for monetization of assets of the company and its subsidiaries and National Company Law Appellate Tribunal (NCLAT) order dated 30 May 2018 staying NCLT order dated 15 May 2018 admitting the Company under Insolvency and Bankruptcy Code (IBC), 2016. The Company is confident that suitable resolution plan would be formulated by lenders in view of order admitting the Company under IBC proceedings is vacated/stayed, accordingly financial statements of the Company have been prepared on going concern basis."

Note 2.50 of Financial Statement

Non Provision of Interest

The company was engaged with joint lenders' forum (JLF), constituted on June 2, 2017 and under standstill period till December 2017 pursuant to the strategic debt restructuring scheme (SDR Scheme) of Reserve Bank of India (RBI). Consequent to circular of 12th February, 2018 of RBI, the company continued to work closely with the Lenders to finalise an overall debt resolution plan. Pursuant to strategic transformation programme, as a part of debt resolution plan of the company under consideration, inter alia of the lenders, the company and its subsidiaries; Reliance Telecom Limited (RTL) and Reliance Infrael Limited (RITL), with the permission of and on the basis of suggestions of the lenders, had for monetization of some specified assets, entered into definitive binding agreements with Reliance Jio Infocomm Limited (RJio) on December 28, 2017 for sale of wireless spectrum, towers, fiber and media convergence nodes (MCNs). Further, the company has also entered into a definitive binding agreement with Pantel Technologies Private Limited and Veecon Media and Television Limited for sale of its subsidiary company having DTH Business. The company and its said subsidiaries expected to close these transactions in a phased manner. In the meanwhile, Hon'ble National Company Law Tribunal (NCLT), Mumbai has, overruling the objections of the company as also its lenders represented by State Bank of India, the lead member, vide its order dated May 15, 2018 admitted applications filed by an operational creditor for its claims against the company and its subsidiaries; RTL and RITL and thereby admitted the companies to debt resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC). As a consequence, interim resolution professionals (IRPs) were appointed vide NCLT's order dated May 18, 2018. The company along with the support of the lenders filed an appeal with Hon'ble National Company Law Appellate Tribunal (NCLAT) challenging the order of NCLT admitting the company to IBC proceedings. The Hon'ble NCLAT, vide its order dated May 30, 2018, stayed the orders passed by NCLT and consequently, the board of the respective companies stands reinstated. Further, minority shareholders holding 4.26% stake in RITL had accused the management of RITL of "Oppression of minority shareholders and mismanagement" and filed a petition in NCLT. Based on an amendment to the Petition, the NCLT stayed RITL's proposed asset sale (Tower and Fibre). The parties have subsequently settled the dispute and the restriction on sale stands vacated. The company is confident that a suitable debt resolution plan would be formulated along with its lenders as per the strategic transformation programme.

During the year, considering all the factors including the company's request for waiver of interest and admission of the company to debt resolution process under the IBC, the company, with a view to reflecting fairly the position for the purpose of presentation in respect of the company's obligation for interest and without implying in any way that the terms of lending by banks and the other lenders are altered, has not provided interest of ₹ 3,055 crore. Had the company provided Interest, the loss would have been higher by ₹ 3,055 crore, but the impact is likely to be nil if request for waiver is accepted by lenders.

Fiscal 2017

Emphasis of Matters

a. We draw attention to Note 2.36.1 (vi) of the standalone Ind AS financial statements regarding the Scheme of Arrangement ('the Scheme') sanctioned on 03 July 2009 by the Hon'ble High Court of Judicature at Mumbai, the company is permitted to adjust additional depreciation/ amortisation, expenses and/or losses, which have been or are required to be debited to the statement of profit and loss by a corresponding withdrawal or credit from/ to general reserve, as determined by the board of directors. during the year, the company has withdrawn ₹ 1,205 crore (previous year ₹ 1,190 crore) to offset additional depreciation/amortisation on account of fair valuation of certain assets which may be considered to override the relevant provisions of Schedule II of the Act and Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Our opinion is not qualified in respect of this matter.

Note 2.36.1(vi) to the Financial Statement

Additional depreciation of ₹ 1,205 crore (Previous year ₹ 1,190 crore) arising on fair value of the assets has been adjusted, consistent with the practice followed in earlier years, to general reserve as permitted pursuant to the Scheme of Arrangement sanctioned vide an order dated July 3, 2009 by the Hon'ble High Court and as determined by the board of directors.

b. We further draw attention to Note 2.44 of the standalone Ind AS financial statements regarding the Scheme of Arrangement ('the Scheme') sanctioned by the Hon'ble High Court of Judicature at Mumbai. The Scheme permits the company to adjust expenses and/or losses identified by the board of directors, which are required to be debited to the statement of profit and loss, by a corresponding withdrawal from general reserve, which is considered to be an override to the relevant provisions of Ind AS 8. The company has identified net foreign exchange variations of ₹ 8 crore (previous year ₹ 3 crore), amortization of Foreign Currency Monetary Items Translation Difference Account (FCMITDA) of ₹ 238 crore (previous year ₹ 274 crore) and depreciation on exchange losses capitalised of ₹ 433 crore (previous year ₹ 467 crore), as in the opinion of the board, such exchange losses and depreciation are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from General Reserve. Our opinion is not qualified in respect of this matter. Had the effect of paragraphs (a) and (b) above, not been met from general reserve, the company would have reflected a loss after tax for the year of ₹ 3,680 crore (previous year ₹ 2,313 crore).

Note 2.44 to the Financial Statement

Exceptional Items

Pursuant to the direction of the Hon'ble High Court of Judicature of Mumbai and option exercised by the board of the company, in accordance with and as per the Scheme of Arrangement ("the Scheme") approved by the Hon'ble High Court vide order dated July 3, 2009 binding on the company, expenses and/ or losses, identified by the board of the company as being exceptional or otherwise subject to the accounting treatment prescribed in the schemes and comprising of ₹ 433 crore (previous year ₹ 467 crore) of depreciation consequent to addition of exchange differences on long term borrowing relating to capital assets to the cost of capitalised assets, as also ₹ 8 crore (Previous year ₹ 3 crore) of exchange variation (net) on items other than long term monetary items, ₹ 238 crore (Previous year ₹ 274 crore) being amortization of FCMITDA excluding the portion added to the cost of fixed assets or carried forward as FCMITDA in accordance with Para 46 A inserted into the then applicable Accounting Standard (AS) 11 "The Effects of changes in Foreign Exchange Rates" in the context of unprecedented volatility in exchange rate during the year have been met by withdrawal from corresponding general reserves, leaving no impact on loss for the year ended March 31, 2017. Such withdrawals have been included/ reflected in the statement of profit and loss. The company has been legally advised that such inclusion in the statement of profit and loss is in accordance with Schedule III of the Companies Act, 2013. Had such write off of expenses, losses and depreciation/ amortisation (refer note 2.36.1(vi) not met from general reserve, the company would have reflected a loss after tax for the year of ₹ 3,680 crore (Previous year loss after tax of ₹ 2,313 crore).

c. As stated in Note 2.18.4 of the standalone Ind AS financial statements, pending formal confirmation, the borrowings are continued to be classified as non-current liabilities. Our opinion is not qualified in respect of this matter.

Note 2.18.4 to the Financial Statement

The company has represented to the lenders of the secured loans for waiver and amendment with respect to non compliance of certain covenants such as net debt to EBIDTA, interest cover ratio, debt service coverage ratio and networth, as at September 30, 2016 for which waiver/ consent from certain lenders have been received. Pending formal confirmation by the lenders for waiver of certain loan covenants, the loan amount has been continued to be classified as noncurrent liabilities.

Fiscal 2016

Emphasis of Matters

a. We draw attention to Note 2.28 (vi) of the standalone financial statements regarding the Scheme of Arrangement (‘the Scheme’) sanctioned on 03 July 2009 by the Hon’ble High Court of Judicature at Mumbai, the company is permitted to adjust additional depreciation/amortisation, expenses and/or losses, which have been or are required to be debited to the statement of profit and loss by a corresponding withdrawal or credit from/to general reserve, as determined by the board of directors. During the year, the company has withdrawn ₹ 1,190 crore (previous year ₹ 1,177 crore) to offset additional depreciation/ amortisation on account of fair valuation of certain assets which may be considered to override the relevant provisions of Schedule II of the Act and Accounting Standard 5 (AS 5) ‘Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies’. Our opinion is not qualified in respect of this matter.

Note 2.28(vi) of the Financial Statement

Additional depreciation of ₹ 1,190 crore (Previous year ₹ 1,177 crore) arising on fair value of the assets has been adjusted, consistent with the practice followed in earlier years from General Reserve III as permitted pursuant to the Scheme of Arrangment (the Scheme) sanctioned vide an order dated July 3, 2009 by the Hon’ble High Court and as determined by the board of directors.

b. We further draw your attention to Note 2.37 (b) of the standalone financial statements regarding the Scheme of Arrangement (‘the Scheme’) sanctioned by the Hon’ble High Court of Judicature at Mumbai. The Scheme permits the company to adjust expenses and/or losses identified by the board of directors, which are required to be debited to the statement of profit and loss by a corresponding withdrawal from general reserve, which is considered to be an override to the relevant provisions of AS 5. The company has identified net foreign exchange variations of ₹ 3 crore (previous year ₹ 31 crore), amortization of Foreign Currency Monetary Items Translation Difference Account (FCMITDA) of ₹ 274 crore (previous year ₹ 199 crore) and depreciation on exchange losses capitalised of ₹ 467 crore (previous year ₹ 387 crore), as in the opinion of the board, such exchange losses and depreciation are considered to be of an exceptional nature and accordingly, these expenses have been met by corresponding withdrawal from general reserve. Our opinion is not qualified in respect of this matter. Had the effect of paragraphs (a) and (b) above, not been met from General Reserve, the company would have reflected a loss after tax for the year of ₹ 3,558 crore (previous year ₹ 1,948 crore).

Note 2.37(b) of the Financial Statement

Pursuant to the direction of the Hon’ble High Court of Judicature of Mumbai and option exercised by the board of the company, in accordance with and as per the scheme of arrangement approved by the Hon’ble High Court vide order dated July 3, 2009 binding on the company, expenses and/ or losses, identified by the board of the company as being exceptional or otherwise subject to the accounting treatment prescribed in the Schemes of Arrangement sanctioned by the Hon’ble High Court and comprising of ₹ 467 crore (Previous year ₹ 387 crore) of depreciation consequent to addition of exchange differences on long term borrowing relating to capital assets to the cost of capitalised assets, as also ₹ 3 crore (Previous year ₹ 31 crore) of exchange variation (net) on items other than long term monetary items, ₹ 274 crore (Previous year ₹ 199 crore) being amortization of FCMITDA excluding the portion added to the cost of fixed assets or carried forward as FCMITDA in accordance with Para 46 A inserted into Accounting Standard (AS) 11 "The Effects of changes in Foreign Exchange Rates" in the context of unprecedented volatility in exchange rate during the year have been met by withdrawal from corresponding general reserves, leaving no impact on loss for the year ended March 31, 2016. Such withdrawals have been included/ reflected in the statement of profit and loss. the company has been legally advised that such inclusion in the statement of profit and loss is in accordance with Schedule III of the Companies Act, 2013. Had such write off of expenses, losses and depreciation/ amortisation (refer note 2.28(vi)) not met from general reserve, the company would have reflected a loss after tax for the year of ₹ 3,558 crore (Previous year ₹ 1,948 crore)."

Share price information

The equity shares of Reliance Communications are currently listed on the BSE and NSE. The highest and the lowest market price of the equity shares of Reliance Communications during the immediate six months immediately preceding the date of this Draft Red Herring Prospectus is as follows:

Month	BSE		NSE	
	High (in ₹)	Low (in ₹)	High (in ₹)	Low (in ₹)
January, 2019	14.58	11.37	14.60	11.35
December, 2018	18.60	13.66	18.65	13.65
November, 2018	15.20	12.44	15.25	12.45
October, 2018	12.54	9.55	12.55	9.60
September, 2018	18.90	11.20	18.90	11.20
August, 2018	21.65	14.29	21.70	14.45

The closing price of the Reliance Communication's equity shares as on February 7, 2019 on the BSE and NSE were ₹ 5.19 and ₹ 5.20, respectively.

(v) Reliance Nippon Life Asset Management Limited ("Reliance Nippon Life Asset")

Reliance Nippon Life Asset was incorporated as a company on February 24, 1995. Reliance Nippon Life Asset is engaged in the business of *inter alia* managing mutual funds including portfolio management services, alternate investment funds and pension funds and offshore funds and advisory mandates.

Financial Information

Set forth below is certain financial information of Reliance Nippon Life Asset based on its audited standalone financial statements for the last three audited Fiscal Years.

(in ₹ million, except per share data)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Equity Capital	6,120.00	415.20	415.20
Reserves and surplus (excluding revaluation reserves)	16,334.95	18,088.33	14,040.58
Sales/Turnover	17,459.91	14,004.37	12,710.15
Profit/(Loss) after Tax	5,048.52	4,047.75	3,710.75
Basic EPS	8.45	351.37	321.33
Diluted EPS	8.44	351.37	321.33
Net asset value per share	36.69	1,274.35	995.58

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Share price information

The equity shares of Reliance Nippon Life Asset are currently listed on the BSE and NSE. The highest and the lowest market price of the equity shares of Reliance Nippon Life Asset during the immediate six months immediately preceding the date of this Draft Red Herring Prospectus is as follows:

Month	BSE		NSE	
	High (in ₹)	Low (in ₹)	High (in ₹)	Low (in ₹)
January, 2019	170.80	135.05	163.90	133.95
December, 2018	198.35	155.00	198.50	155.95
November, 2018	176.60	153.00	176.90	159.70
October, 2018	174.15	143.10	177.70	127.20
September, 2018	237.25	155.00	237.80	161.60
August, 2018	278.95	227.00	278.85	225.50

The closing price of the Reliance Nippon Life Asset's equity shares as on February 7, 2019 on the BSE and NSE were ₹ 155.70 and ₹ 155.10, respectively.

Other Group Companies

The details of the rest of our Group Companies are as follows:

(i) **Big Animation (India) Private Limited ("Big Animation")**

Big Animation was incorporated as a company on July 21, 2005. Big Animation is engaged in the business of animation services and commercial training and coaching of animation and VFX programmes.

(ii) **Big Flicks Private Limited ("Big Flicks")**

Big Flicks was incorporated as a company on February 27, 2007. Big Flicks is engaged in the business of online streaming of video contents on its website.

(iii) **Campion Properties Limited ("Campion Properties")**

Campion Properties was incorporated as a company on August 23, 2001. Campion Properties is engaged in the business of providing business centre facility in a leasehold property in Delhi.

(iv) **Globalcom IDC Limited ("Globalcom IDC")**

Globalcom IDC was incorporated as a company on April 16, 2001. Globalcom IDC is engaged in the business of internet data centre services and other related services.

(v) **Reliance Asset Reconstruction Company Limited ("Reliance Asset Reconstruction")**

Reliance Asset Reconstruction was incorporated as a company on April 17, 2006. Reliance Asset Reconstruction is engaged in the business of acquiring and managing non-performing assets.

(vi) **Reliance AIF Management Company Limited ("Reliance AIF Management")**

Reliance AIF Management was incorporated as a company on June 30, 2000. Reliance AIF Management is engaged in the business of managing alternative investment fund schemes.

(vii) **Reliance Big Broadcasting Private Limited ("Reliance Big Broadcasting")**

Reliance Big Broadcasting was incorporated as a company on March 27, 2006. Reliance Big Broadcasting is engaged in the business of broadcasting information and communication.

(viii) **Reliance Big Entertainment Private Limited ("Reliance Big Entertainment")**

Reliance Big Entertainment was incorporated as a company on March 21, 2006. Reliance Big Entertainment is engaged in the business of filmed entertainment (film production and distribution), digital services, music, home video and animation.

(ix) **Reliance BPO Private Limited ("Reliance BPO")**

Reliance BPO was incorporated as a company on February 17, 2000. Reliance BPO is engaged in the business of providing call centre services.

(x) **Reliance Commercial Finance Limited ("Reliance Commercial Finance")**

Reliance Commercial Finance was incorporated as a company on August 17, 2000. Reliance Commercial Finance is engaged in the business of providing small and medium enterprises loans, infrastructure financing, agriculture loans and supply chain financing, micro financing and vehicle loans.

(xi) **Reliance Commodities Limited ("Reliance Commodities")**

Reliance Commodities was incorporated as a company on July 8, 2005. Reliance Commodities is engaged in the business of *inter alia* commodities broking activities.

(xii) **Reliance Communications Infrastructure Limited ("Reliance Communications Infrastructure")**

Reliance Communications Infrastructure was incorporated as a company on July 17, 1997. Reliance Communications Infrastructure is engaged in the business of providing passive infrastructure, call centre services and marketing and infrastructure sharing services to telecom service providers in India.

(xiii) **Reliance Capital Trustee Company Limited ("Reliance Capital Trustee")**

Reliance Capital Trustee was incorporated as a company on March 1, 1995. Reliance Capital Trustee is engaged in the business of *inter alia* providing trusteeship services.

(xiv) **Reliance Corporate Advisory Services Limited ("Reliance Corporate Advisory")**

Reliance Corporate Advisory was incorporated as a company on January 12, 2009. Reliance Corporate Advisory is engaged in the business of trading and investment.

(xv) **Reliance Financial Limited ("Reliance Financial")**

Reliance Financial was incorporated as a company on August 26, 2005 under the Companies Act, 1956. Reliance Financial is engaged in the business of a non-deposit taking non-banking financial company.

(xvi) **Reliance Globalcom Limited ("Reliance Globalcom")**

Reliance Globalcom was incorporated as a company on March 28, 2000. Reliance Globalcom is engaged in the business of providing staffing solutions and other support services.

(xvii) **Reliance Innoventures Private Limited ("Reliance Innoventures")**

Reliance Innoventures was incorporated as a company on December 27, 2005. Reliance Innoventures is engaged in the business of sale of electricity.

(xviii) **Reliance Wealth Management Limited ("Reliance Wealth")**

Reliance Wealth was incorporated as a company on January 1, 2009. Reliance Wealth is engaged in the business of providing portfolio management services.

(xix) **Reliance Realty Limited ("Reliance Realty")**

Reliance Realty was incorporated as a company on July 14, 1993. Reliance Realty is authorised to engage in the business of providing facility usage services to the client housed in Dhirubhai Ambani Knowledge City and Millennium Business Park in Navi Mumbai, Maharashtra.

(xx) **Reliance Tech Services Limited ("Reliance Tech Services")**

Reliance Tech Services was incorporated as a company on July 30, 2007. Reliance Tech Services is authorised to engage in the business of providing end-to-end IT and technology solutions.

(xxi) **Reliance Telecom Limited ("Reliance Telecom")**

Reliance Telecom was incorporated as a company on March 1, 1994. Reliance Telecom is authorised to engage in the business of providing telecommunication and other related services.

(xxii) **Reliance Transport and Travels Private Limited ("Reliance Transport and Travels")**

Reliance Transport and Travels was incorporated as a company on September 13, 1982. Reliance Transport and Travels is authorised to engage in the business of serving as an air travel agent and organising charter of aircrafts.

(xxiii) **Reliance Health Insurance Limited ("Reliance Health")**

Reliance Health was incorporated as a company on May 4, 2017. Reliance Health is authorised to engage in the business of providing health insurance services.

(xxiv) **Reliance Money Solutions Private Limited ("Reliance Money Solutions")**

Reliance Money Solutions was incorporated as a company on August 23, 2000. Reliance Money Solutions is engaged in the business of *inter alia* distribution of third party products i.e. mutual fund, life insurance, portfolio management services etc.

(xxv) **Reliance Money Precious Metals Private Limited ("Reliance Money Precious Metals")**

Reliance Money Precious Metals was incorporated as a company on October 5, 2006. Reliance Money Precious Metals is engaged in the business of *inter alia* distribution of financial products.

(xxvi) **Reliance Securities Limited ("Reliance Securities")**

Reliance Securities was incorporated as a company on June 17, 2005. Reliance Securities is authorised to engage in the business of broking of securities, financial services and distribution of financial products.

(xxvii) **Zapak Digital Entertainment Limited ("Zapak Digital Entertainment")**

Zapak Digital Entertainment was incorporated as a company on December 14, 2005. Zapak Digital Entertainment is engaged in the business of online streaming of video contents on its website.

(xxviii) **Zapak Mobile Games Private Limited ("Zapak Mobile Games")**

Zapak Mobile Games was incorporated as a company on June 27, 2006. Zapak Mobile Games is engaged in the business of online streaming of video contents on its website.

(xxix) **Reliance Capital Pension Fund Limited ("Reliance Capital Pension")**

Reliance Capital Pension was incorporated as a company on March 31, 2009. Reliance Capital Pension is engaged in the business of managing pension funds.

Loss making Group Companies

Except as disclosed below, none of our Group Companies have incurred losses on a standalone basis in the preceding Fiscal Year.

(₹ in million)

Name of Group Company	Details of Profit / (Loss) after tax		
	Fiscal 2018	Fiscal 2017	Fiscal 2016
Big Animation (India) Private Limited	(97.74)	(120.44)	(101.75)

Big Flicks Private Limited	(237.44)	(111.46)	(70.64)
Campion Properties Limited	(138.97)	(46.40)	(43.56)
Globalcom IDC Limited	(64.30)	500.40	13.60
Reliance Big Entertainment	(8,653.41)	(5,538.01)	4075.06
Reliance BPO Private Limited	(67.16)	(0.69)	(4.76)
Reliance Communications Limited	(98,700.00)	(17,960.00)	(3,790.00)
Reliance Communications Infrastructure Limited	(15,422.10)	(171.80)	(2,859.00)
Reliance Commodities Limited	(0.55)	4.01	31.08
Reliance Corporate Advisory Services Limited	(345.04)	(34.76)	(0.70)
Reliance Health Insurance Limited	(195.24)	NA*	NA*
Reliance Innoventures Private Limited	(2,860.11)	(319.04)	(639.05)
Reliance Realty Limited	(5,550.76)	(297.00)	(2.17)
Reliance Tech Services Limited	(86.80)	(54.40)	14.10
Reliance Telecom Limited	(44,612.40)	(9,911.90)	(1,912.10)
Zapak Digital Entertainment Limited	(801.28)	(391.85)	(349.60)
Zapak Mobile Games Private Limited	(168.19)	(317.28)	(221.42)
Reliance Money Solutions Private Limited	(84.11)	39.56	(290.18)
Reliance Money Precious Metals Private Limited	(26.98)	(0.71)	(35.85)
Reliance Infratel Limited	(7,140.00)	(5,530.00)	2,280.00

* *Reliance Health Insurance Limited was incorporated as a company on May 4, 2017.*

Interest of Group Companies in our Company

(a) ***Business interests***

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company, except as disclosed in "*Related Party Transactions*" and "*Risk Factors - We have entered into certain related party transactions, and we may continue to do so in the future*" on pages 232 and 45, respectively. For further details in relation to the shareholding of our Group Companies in our Company, refer to "*Capital Structure*" on page 75.

(b) ***In the properties acquired by our Company in the past three years preceding the filing of this Draft Red Herring Prospectus with SEBI or proposed to be acquired***

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus with SEBI or proposed to be acquired.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits amongst the Group Companies with our Company

Except Reliance Health Insurance Limited, a wholly owned subsidiary of Reliance Capital, which is authorised to engage in the business of health insurance, there are no common pursuits between any of our Group Companies and our Company. Reliance Capital has confirmed to our Company that to avoid conflict of interest, Reliance Health Insurance Limited will primarily focus on retail customer segments, whereas our Company would focus on group health insurance business, government health insurance business and other ancillary areas. For further details, see "*Risk Factors - Our Promoter is involved in a venture that may operate in similar lines of business as us and one of our Director is also on the board of directors of such venture. In the event of a conflict of interest, our Promoter and our Director may favour the interests of such venture over our interests*" on page 34.

Related Business Transactions with our Group Companies and significance on the financial performance of our Company

For details of related party transactions between our Company and our Group Companies till they were related parties under the applicable accounting standard i.e. Accounting Standard 18, see "*Related Party Transactions*" on page 232.

Defunct Group Companies

None of our Group Companies are defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Draft Red Herring Prospectus with SEBI.

Sick Group Companies

None of our Group Companies fall under the definition of sick industrial companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1995, nor have they been declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Further, except as disclosed in "*Outstanding Litigation and Material Developments*" on page 354, no winding up proceedings or insolvency or bankruptcy proceedings have been initiated against them. Reliance Communications Limited ("**Reliance Communications**") has also released a media release on February 1, 2019, stating that Reliance Communications will approach the National Company Law Tribunal for a comprehensive debt resolution in relation to its outstanding dues to 40 of its lenders. For further details, see "*Outstanding Litigation and Material Developments*" on page 354.

Other confirmations

Except as provided in this section, none of our Group Companies are equity listed on any stock exchange. Further, none of our Group Companies have failed to list on any stock exchange in any recognised stock exchange in India or abroad.

Except as stated below, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) in the preceding three years:

Reliance Nippon Life Asset Management had its initial public offering of its equity shares in Fiscal 2018. The issue price of its equity shares was ₹ 252 and the current market price of its equity shares is ₹ 155.70 and ₹155.10 (as on February 7, 2019, as per BSE and NSE data, respectively).

None of our Group Companies are debarred from accessing the capital market for any reasons by SEBI or any other authorities.

RELATED PARTY TRANSACTIONS

For details of the related party disclosures, as per the requirements under Accounting Standard 18 '*Related Party Disclosures*' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act and as reported in "*Financial Statements – Schedule and notes to accounts to Restated Financial Information - Note 35"* on pages 271.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association, the Companies Act, and any other applicable regulatory guidelines.

In addition, the payment of dividends would also be subject to our Company's dividend policy, adopted by our Board on September 8, 2017 ("**Dividend Policy**"). As per our Dividend Policy, dividend, if any, will depend on a number of factors, including the state of the economy, income/profits earned during the year, present and future capital requirements of the existing businesses, brands or business acquisitions, expansion or modernisation of existing businesses, and any other factor deemed fit by our Board.

Details of dividends distributed on the Equity Shares are as follows:

(*In ₹ million, unless stated otherwise*)

Particulars	Financial Performance				
	For the period post September 30, 2018 to the date of filing of the Draft Red Herring Prospectus	For the half year ended September 30, 2018	For Fiscal		
			2018	2017	2016
Face value per share(in ₹)	10	10	10	10	10
Dividend	Nil	125.78	62.89	Nil	Nil
Dividend per share(in ₹)	Nil	0.5	0.5	Nil	Nil
Rate of dividend (%)	Nil	5%	5%	Nil	Nil
Dividend Tax (%)	Nil	20.56%	20.36%	Nil	Nil

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amounts, if any, in the future. For details in relation to the risk involved, see "*Risk Factors*" on page 21.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

[*This page has been intentionally left blank*]

Price Waterhouse Chartered Accountants LLP
Chartered Accountant
252, Veer Savarkar Marg
Shivaji Park, Dadar (West)
Mumbai – 400028

Pathak H. D. & Associates
Chartered Accountant
814-815, Tulsiani Chambers
212, Nariman Point
Mumbai – 400021

To
The Board of Directors
Reliance General Insurance Company Limited,
H Block, 1st Floor, Dhirubhai Ambani Knowledge City,
Navi Mumbai – 400710.

Independent Auditors' Examination Report on Restated Financial Information in connection with the Initial Public Offering of Reliance General Insurance Company Limited.

Dear Sirs,

1. This report is issued in accordance with the terms of our joint agreement dated January 30, 2019 with the Company.

2. The accompanying restated financial information, expressed in Indian Rupees in millions, of Reliance General Insurance Company Limited (hereinafter referred to as the "Company"), comprising Financial Information in paragraph A below and Other Financial Information in paragraph B below (hereinafter together referred to as "Restated Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of Section 26 of the Companies Act, 2013 (the "Act") as amended from time to time, Paragraphs 1 & 2 of Part (c) Schedule I of Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015 (the "IRDAI Regulations") issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") and item (II) of Point 11 of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the Board of Directors of the Company and initialed by us for identification purposes only.

Management's Responsibility for the Restated Financial Information

3. The preparation of the Restated Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company, at its meeting held on January 30, 2019, for filing by the Company with the SEBI, IRDAI and the concerned stock exchanges. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Responsibilities

4. We have carried out our work in accordance with the Standards on Auditing under Section 143(10) of the Act, Guidance Note on Reports in Company Prospectuses (Revised 2019) which also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and other applicable authoritative pronouncements issued by the ICAI and pursuant to the requirements of Section 26 of the Act, the IRDAI Regulations and the SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the IRDAI Regulations and the SEBI Regulations in connection with the Issue.

5. Our examination of the Restated Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America, standards of the Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

A. Financial Information as per Audited Financial Statements:

6. We have examined the following financial statements of the Company contained in the Restated Financial Information of the Company:

   a. the "Restated Statement of Assets and Liabilities" of the Company as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure I);
   b. the "Restated Statement of Revenue Account – Fire Insurance Business", the "Restated Statement of Revenue Account – Marine Insurance Business" and the "Restated Statement of Revenue Account – Miscellaneous Insurance Business" of the Company for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexures II-A, II-B and II-C);
   c. the "Restated Statement of Profit and Loss Account" of the Company for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure III);
   d. the "Restated Statement of Receipts and Payments Account" of the Company for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure IV).

7. The Restated Financial Information, expressed in Indian Rupees in millions, has been prepared by the Company's management from the Audited Financial Statements of the Company as at and for each of the six months period ended September 30, 2018, September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (all of which were expressed in Indian Rupees in thousands), read with paragraphs 8 and 15 below, on which the respective joint auditors have expressed unmodified audit opinions vide their reports dated October 25, 2018, November 1, 2017, April 19, 2018, April 22, 2017 and April 29, 2016 respectively. Audits of the financial statements of the Company for each of the six months period ended September 30, 2018 and September 30, 2017 and the year ended March 31, 2018 was jointly done by us, audit of the financial statements of the Company for the year ended March 31, 2017 was jointly done by Pathak H. D. and Associates, Chartered Accountants and Haribhakti & Co. LLP, Chartered Accountants and audit of financial statements of the Company for the year ended March 31, 2016 was jointly done by Pathak H. D. and Associates, Chartered Accountants and Singhi & Co, Chartered Accountants.

8. We draw your attention regarding the fact that the Restated Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure V (as described in paragraph B).

9. We have not audited any financial statements of the Company as at any date or for any period subsequent to September 30, 2018. Accordingly, we do not express any opinion on the financial position, results of operations or cash flows of the Company as at any date or for any period subsequent to September 30, 2018.

B. Other Financial Information:

10. At the Company's request, we have also examined the following Other Financial Information relating to the Company as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 and for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016, proposed to be included in the DRHP, prepared by the Management of the Company and as approved by the Board of Directors of the Company and annexed to this report:

    (a) Basis of Preparation and Significant accounting policies other explanatory information as at and for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure V);

    (b) Statement of Adjustments to Audited Financial Statements as at and for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure VI);

(c) Restated Statement of Accounting Ratios as at and for each of the six months period ended September 30, 2018 and September 30, 2017 and as at and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure VII);

(d) Restated Statement of Segment Disclosure as at and for each of the six months period ended September 30, 2018 and September 30, 2017 and as at and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure VIII);

(e) Restated Statement of Premium for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure IX);

(f) Restated Statement of Claims for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure X);

(g) Restated Statement of Commission Expenses for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XI);

(h) Restated Statement of Operating expenses related to Insurance Business for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three financial years ended , March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XII);

(i) Restated Statement of Share Capital as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XIII);

(j) Restated Statement of Reserves and Surplus as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XIV);

(k) Restated Statement of Borrowings as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XV);

(l) Restated Statement of Investments - Shareholders as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XVI);

(m) Restated Statement of Investments - Policyholders as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XVI-A);

(n) Restated Statement of Loans as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XVII);

(o) Restated Statement of Fixed Assets as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XVIII);

(p) Restated Statement of Cash and Bank as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XIX);

(q) Restated Statement of Advances and other Assets as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XX);

(r) Restated Statement of Current Liabilities as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XXI);

(s) Restated Statement of Provisions as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XXII);

(t) Restated Statement of Miscellaneous Expenditure as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 (enclosed as Annexure XXIII).

(u) Restated Statement of Capitalization as at September 30, 2018 (enclosed as Annexure XXIV)

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Opinion

12. In our opinion:

a. the Restated Financial Information of the Company, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies and notes to restated financial information have been prepared in accordance with the Act, the IRDAI Regulations and the SEBI Regulations;
b. adjustments have been made with retrospective effect in respect of changes in the accounting policies, material errors and regrouping/ reclassifications retrospectively in the financial years ended March 31, 2017 and March 31, 2016 to reflect the same accounting treatment as per the accounting policies) to reflect the same accounting treatment as per the accounting policies and groupings/ reclassifications followed as at and for the six months period ended September 30, 2018, for all the reporting periods of the Company (as disclosed in Annexure VI to this report;
c. there are no qualifications in the Auditors' Report which require any adjustments; and
d. there are no extra-ordinary items which need to be disclosed separately.

13. The restated financial information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements as mentioned in paragraph 7 above.

14. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or other auditors on the financial statements of the Company.

Other Matters

15. The Auditors' Reports on the financial statements of the Company as at and for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the three years ended March 31, 2018, March 31, 2017 and March 31, 2016 includes an 'Other Matters' paragraph as follows:
"The actuarial valuation of liabilities with respect to Claims Incurred But Not Reported (IBNR) and Claims Incurred But Not Enough Reported (IBNER) is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for each of the six months period ended September 30, 2018 and September 30, 2017 and for each of the years ended March 31, 2018 and March 31, 2017 has been duly certified by the Appointed Actuary and the Mentor to the Appointed Actuary. In respect of the year ended March 31, 2016, the Company's Appointed Actuary had resigned from the Company on August 28, 2015 and the Company had provided for these liabilities based on the certificate from an External Consulting Actuary in the absence of an Appointed Actuary and the same was reflected as an emphasis of matter paragraph in the Auditors' Report for the said year. Subsequently in the year ended March 31, 2017, the Company did appoint an Appointed Actuary and the Mentor to the Appointed Actuary, as approved by IRDAI. The

Appointed Actuary and the Mentor to the Appointed Actuary/External Consulting Actuary (as applicable for respective period/years) have also certified in their opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by the IRDAI ("Authority") and the Actuarial Society of India in concurrence with the Authority at that point in time. We have relied on the Appointed Actuary and the Mentor to the Appointed Actuary/External Consulting Actuary (as applicable for respective period/years) certificate given at that point of time for the respective period/years for forming opinion on the Restated Financial Information of the Company."

16. The restated financial information of the Company has been examined and reported upon jointly by Haribhakti & Co LLP, Chartered Accountants and Pathak H. D. and Associates, Chartered Accountants for the year ended March 31, 2017 and Pathak H. D. and Associates, Chartered Accountants and Singhi & Co, Chartered Accountants for the year ended March 31, 2016, whose reports have been furnished to us by the Management of the Company and our opinion on the Restated Financial Information to the extent they have been derived from such financial information is based solely on the reports issued by those respective auditors.

17. Our opinion on Restated Financial Information is not modified in respect of the matters stated in paragraphs 15 and 16 above.

Restriction on Use

18. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the Issue, to be filed by the Company with the SEBI, IRDAI and the concerned stock exchanges.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number: 012754N/N500016

Sharmila A. Karve
Partner
Membership Number - 043229

Place: Mumbai
Date: January 30, 2019

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration Number: 107783W

Mukesh Mehta
Partner
Membership Number - 043495

Place: Mumbai
Date: January 30, 2019

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

INDEX

Sr No.	Details of Restated Financial Information	Annexure Reference
1	Restated Statement of Assets and Liabilities	Annexure I
2A	Restated Statement of Revenue Accounts - Fire	Annexure II A
2B	Restated Statement of Revenue Accounts - Marine	Annexure II B
2C	Restated Statement of Revenue Accounts - Misc	Annexure II C
3	Restated Statement of Profit & Loss Account	Annexure III
4	Restated Statement of Receipts and Payments Account	Annexure IV
5	Summary of Significant accounting policies and Notes to Accounts	Annexure V
6	Statement of Adjustments to Audited Financial Statements	Annexure VI
7	Restated Statement of Accounting Ratios	Annexure VII
8	Restated Statement of Segment Disclosure	Annexure VIII
9	Restated Statement of Premium	Annexure IX
10	Restated Statement of Claims	Annexure X
11	Restated Statement of Commission Expenses	Annexure XI
12	Restated Statement of Operating expenses related to insurance business	Annexure XII
13	Restated Statement of Share Capital	Annexure XIII
14	Restated Statement of Reserves and Surplus	Annexure XIV
15	Restated Statement of Borrowings	Annexure XV
16	Restated Statement of Investments - Shareholders	Annexure XVI
16A	Restated Statement of Investments - Policyholders	Annexure XVIA
17	Restated Statement of Loans	Annexure XVII
18	Restated Statement of Fixed Assets	Annexure XVIII
19	Restated Statement of Cash and Bank	Annexure XIX
20	Restated Statement of Advances and other Assets	Annexure XX
21	Restated Statement of Current Liabilities	Annexure XXI
22	Restated Statement of Provisions	Annexure XXII
23	Restated Statement of Miscellaneous Expenditure	Annexure XXIII
24	Restated Statement of Capitalization	Annexure XXIV

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - I: Restated Statement of Assets and Liabilities

(₹ in millions)

Particulars	Annexure	As at				
		September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
SOURCES OF FUNDS						
Share Capital	XIII	2,515.50	2,515.50	2,515.50	1,257.75	1,227.75
Reserves and Surplus	XIV	12,517.15	10,793.50	11,535.65	11,219.06	9,061.78
Share Application Money Pending Allotment		-	-	-	-	900.00
Fair Value Change Account- Shareholder		(49.96)	15.36	(11.34)	15.00	(19.81)
Fair Value Change Account- Policyholder		(264.66)	66.87	(66.90)	77.31	(119.73)
Borrowings	XV	2,800.00	2,300.00	2,300.00	2,300.00	-
TOTAL		**17,518.03**	**15,691.23**	**16,272.91**	**14,869.12**	**11,049.99**
APPLICATION OF FUNDS						
Investments - Shareholders	XVI	13,648.78	13,591.18	11,590.84	10,934.32	7,642.16
Investments - Policyholders	XVIA	72,849.96	59,211.28	68,397.80	56,308.34	46,171.57
Loans	XVII	-	-	-	-	-
Fixed Assets	XVIII	338.79	309.00	361.25	321.74	339.18
Deferred Tax Assets		372.74	372.74	372.74	372.74	364.18
Current Assets						
Cash and Bank Balances	XIX	1,580.66	905.16	3,373.15	1,252.85	1,013.02
Advances and Other Assets	XX	16,893.11	14,691.53	9,376.83	7,573.30	7,418.37
Sub-Total (A)		**18,473.77**	**15,596.69**	**12,749.98**	**8,826.15**	**8,431.39**
Current Liabilities	XXI	69,305.46	58,617.79	63,436.08	51,160.00	42,648.57
Provisions	XXII	18,860.55	14,771.87	13,763.62	10,734.17	9,249.92
Sub-Total (B)		**88,166.01**	**73,389.66**	**77,199.70**	**61,894.17**	**51,898.49**
Net Current Assets (C = A - B)		**(69,692.24)**	**(57,792.97)**	**(64,449.72)**	**(53,068.02)**	**(43,467.10)**
Miscellaneous Expenditure (to the extent not written off or adjusted)	XXIII	-	-	-	-	-
Debit Balance in Profit & Loss Account		-	-	-	-	-
TOTAL		**17,518.03**	**15,691.23**	**16,272.91**	**14,869.12**	**11,049.99**

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - II A: Restated Statement of Revenue Accounts - Fire Insurance Business

(₹ in millions)

Particulars	**Annexure**	**For the half year ended September 30, 2018**	**For the half year ended September 30, 2017**	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Premium Earned (Net)	IX	447.01	362.05	768.40	632.68	560.43
Profit/(loss) on sale/redemption of investments (net)		4.08	9.94	14.14	31.86	17.56
Interest, Dividend & Rent – Gross		95.39	70.12	153.82	110.76	86.62
Others:						
Exchange Gain / (loss)		-	(0.01)	0.05	(0.13)	0.35
Miscellaneous Income		-	-	-	-	-
TOTAL (A)		**546.48**	**442.10**	**936.41**	**775.17**	**664.96**
Claims Incurred (Net)	X	312.14	295.40	471.53	677.04	362.68
Commission (Net)	XI	(34.70)	(66.58)	(41.67)	(256.04)	(171.43)
Operating Expenses related to Insurance Business	XII	215.38	188.29	346.88	318.19	327.77
Reserve for Premium Deficiency		-	-	-	-	-
TOTAL (B)		**492.82**	**417.11**	**776.74**	**739.19**	**519.02**
Operating Profit/(Loss) C= (A) - (B)		**53.66**	**24.99**	**159.67**	**35.98**	**145.94**
Appropriations						
Transfer to Shareholders' Accounts		53.66	24.99	159.67	35.98	145.94
Transfer to Catastrophe Reserve		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
TOTAL (C)		**53.66**	**24.99**	**159.67**	**35.98**	**145.94**

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - II B: Restated Statement of Revenue Accounts - Marine Insurance Business

(₹ in millions)

Particulars	Annexure	For the half year ended September 30, 2018	For the half year ended September 30, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Premium Earned (Net)	IX	27.81	24.98	54.14	178.27	267.89
Profit/(loss) on sale/redemption of investments (net)		0.45	1.43	1.82	8.15	6.79
Interest, Dividend & Rent – Gross		10.40	10.08	19.75	28.35	33.51
Others:						
Exchange Gain / (loss)		-	(0.05)	(0.05)	0.27	0.06
Miscellaneous Income		-	-	-	-	-
TOTAL (A)		**38.66**	**36.44**	**75.66**	**215.04**	**308.25**
Claims Incurred (Net)	X	104.62	31.31	62.78	184.03	314.25
Commission (Net)	XI	(20.22)	(34.64)	(40.59)	(33.37)	31.78
Operating Expenses related to Insurance Business	XII	13.23	12.92	16.40	18.76	136.28
Reserve for Premium Deficiency		-	-	-	-	-
TOTAL (B)		**97.63**	**9.59**	**38.59**	**169.42**	**482.31**
Operating Profit/(Loss) C= (A) - (B)		**(58.97)**	**26.85**	**37.07**	**45.62**	**(174.06)**
Appropriations						
Transfer to Shareholders' Accounts		(58.97)	26.85	37.07	45.62	(174.06)
Transfer to Catastrophe Reserve		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
TOTAL (C)		**(58.97)**	**26.85**	**37.07**	**45.62**	**(174.06)**

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - II C: Restated Statement of Revenue Accounts - Miscellaneous Insurance Business

(₹ in millions)

Particulars	**Annexure**	**For the half year ended September 30, 2018**	**For the half year ended September 30, 2017**	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Premium Earned (Net)	IX	15,429.18	13,361.08	27,734.07	20,079.61	19,166.20
Profit/(loss) on sale/redemption of investments (net)		110.41	293.93	419.11	1,104.86	747.95
Interest, Dividend & Rent – Gross		2,585.14	2,074.31	4,557.91	3,840.96	3,689.29
Others:						
Exchange Gain / (loss)		1.27	1.10	0.47	(0.91)	(1.02)
Miscellaneous Income		1.80	1.10	6.42	6.29	14.29
TOTAL (A)		**18,127.80**	**15,731.52**	**32,717.98**	**25,030.81**	**23,616.71**
Claims Incurred (Net)	X	13,142.78	11,190.20	23,657.05	18,406.12	17,198.21
Commission (Net)	XI	(88.98)	(586.37)	(493.47)	(1,401.43)	(110.72)
Operating Expenses related to Insurance Business	XII	4,253.69	4,605.01	8,530.66	7,604.09	6,079.17
Reserve for Premium Deficiency		-	-	-	-	-
TOTAL (B)		**17,307.49**	**15,208.84**	**31,694.24**	**24,608.78**	**23,166.66**
Operating Profit/(Loss) C= (A) - (B)		**820.31**	**522.68**	**1,023.74**	**422.03**	**450.05**
Appropriations						
Transfer to Shareholders' Accounts		820.31	522.68	1,023.74	422.03	450.05
Transfer to Catastrophe Reserve		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
TOTAL (C)		**820.31**	**522.68**	**1,023.74**	**422.03**	**450.05**

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - III: Restated Statement of Profit & Loss Account

(₹ in millions)

Particulars	Annexure	For the half year ended September 30, 2018	For the half year ended September 30, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Operating Profit / (Loss)						
a. Fire Insurance	II A	53.66	24.99	159.67	35.98	145.94
b. Marine Insurance	II B	(58.97)	26.85	37.07	45.62	(174.06)
c. Miscellaneous Insurance	II C	820.31	522.68	1,023.74	422.03	450.05
Income from Investments						
a. Interest, Dividends & Rent - Gross		508.00	494.54	801.81	772.87	630.53
b. Profit on sale / redemption of investments		23.68	83.16	87.13	239.86	128.73
c. (Loss on sale / redemption of investments)		(1.98)	(13.08)	(13.40)	(17.54)	(0.90)
Other Income						
a. Profit/(Loss) on sale/discard of assets		0.11	(0.17)	(0.77)	(0.07)	0.99
b. Miscellaneous Income		0.48	1.93	18.52	5.21	5.65
c. Excess Provision Written Back		14.05	2.57	3.20	4.48	-
TOTAL (A)		**1,359.34**	**1,143.47**	**2,116.97**	**1,508.44**	**1,186.93**
Provisions (Other than taxation)						
a. For diminution in the value of investments (net)		35.00	-	-	-	-
b. For doubtful debts		38.80	75.54	148.94	16.41	19.11
c. Bad debt w/off		-	0.03	27.16	2.36	38.98
Less:- Provision held		-	-	(26.14)	-	(38.69)
Other Expenses						
a. Expenses other than those related to Insurance Business						
- Employee's remuneration and welfare benefits		13.09	11.02	19.26	15.75	13.18
- Managerial remuneration		6.20	26.20	32.40	27.40	23.40
- Amortisation of Debenture Expenses		1.47	1.46	2.92	1.94	-
- Interest on Statutory Liability		-	7.90	18.76	-	-
- Share Issue Expenses		-	8.50	8.50	-	-
- Expenditure on Reduction of Share Capital		-	-	-	1.51	-
b. Interest on refunds		-	-	-	-	3.38
c. Finance Costs		26.11	-	1.30	16.64	105.17
d. Interest on Non Convertible Debenture		104.94	104.94	209.30	131.43	-
e. Corporate Social Responsibility Expense		0.10	-	20.72	16.27	3.51
f. Penalty		0.50	-	3.82	-	1.00
g. Exchange Gain / (loss)		-	-	-	-	-
TOTAL (B)		**226.21**	**235.59**	**466.94**	**229.71**	**169.04**
Profit / (Loss) Before Tax		**1,133.13**	**907.88**	**1,650.03**	**1,278.73**	**1,017.89**
Provision for Taxation						
Current Tax		196.50	188.33	384.53	299.80	207.17
Short Provision for earlier year		-	-	-	-	-
Deferred Tax		-	-	-	(8.55)	9.36
MAT Credit		(196.50)	(188.33)	(384.53)	(299.80)	(207.17)
Net Profit /(Loss) After Tax		**1,133.13**	**907.88**	**1,650.03**	**1,287.28**	**1,008.53**
Appropriations:						
(a) Interim dividends paid during the period		-	-	-	-	-
(b) Final dividend		125.78	62.89	62.89	-	-
(c) Dividend Distribution Tax		25.85	12.80	12.80	-	-
(d) Debenture Redemption Reserve		31.94	31.94	63.89	63.89	-
Profit / (Loss) After appropriations		**949.56**	**800.25**	**1,510.45**	**1,223.39**	**1,008.53**
Balance of Profit / Loss brought forward from last year		3,740.82	2,230.37	2,230.37	1,006.98	(8,189.63)
Less: - Adjusted as per capital reduction scheme		-	-	-	-	(8,188.08)
Balance carried forward to Balance Sheet		**4,690.38**	**3,030.62**	**3,740.82**	**2,230.37**	**1,006.98**
Basic Earning Per Share	**VII**	4.50	3.61	6.56	5.12	4.11
Diluted Earning Per Share	**VII**	4.50	3.61	6.56	5.12	3.96

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - IV: Restated Statement of Receipts and Payments Account

(₹ in millions)

Particulars	For the half year ended September 30, 2018	For the half year ended September 30, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash flows from operating activities :					
Direct Premiums received	30,169.43	22,840.79	49,687.05	39,383.52	27,716.61
Payment to re-insurers, net of commissions and claims	(1,562.38)	(1,025.09)	(4,007.79)	(3,776.01)	(14.57)
Payment to co-insurers, net of claims recovery	(549.00)	(500.24)	41.39	(196.86)	(81.41)
Direct Claims Paid	(17,985.21)	(13,283.27)	(27,465.66)	(22,253.73)	(20,408.91)
Direct Commission / Brokerage Payments	(2,008.75)	(952.49)	(2,380.49)	(1,139.57)	(1,156.39)
Payment of other operating expenses	(3,995.15)	(3,937.80)	(7,944.67)	(7,707.22)	(6,101.77)
Preliminary and pre-operating expenses	-	-	-	-	-
Deposits, Advances, and Staff loans	(1,522.66)	(2,261.11)	744.63	1,953.24	(172.49)
Service Tax/ GST (Net)	(304.01)	335.26	89.16	(121.15)	68.73
Income tax paid (Net)	(325.94)	(213.53)	(380.57)	(241.12)	(196.42)
Wealth tax paid	-	-	-	-	-
Misc Receipts/payments	3.07	2.14	232.29	5.53	13.70
Cash flow before extraordinary items	**1,919.40**	**1,004.66**	**8,615.34**	**5,906.63**	**(332.92)**
Cash flow from extraordinary operations	-	-	-	-	-
Cash flow from operating activities (A)	**1,919.40**	**1,004.66**	**8,615.34**	**5,906.63**	**(332.92)**
Cash flows from investing activities :					
Purchase of investments	(21,182.38)	(54,350.14)	(76,320.93)	(1,11,891.71)	(65,911.23)
Sale of Investments (Including gain/ loss)	14,025.80	49,380.69	62,430.73	98,028.33	59,709.62
Purchase of fixed assets	(53.03)	(72.93)	(216.73)	(169.61)	(175.45)
Proceeds from sale of fixed assets	0.46	0.77	2.41	23.67	12.13
Rent/ Interest/ Dividends received	3,019.06	2,739.25	5,211.66	4,338.06	4,546.70
Investment in money market instruments and in liquid mutual funds (Net)	718.81	687.02	2,664.64	2,201.85	2,059.43
Repayment received on Loan Given	-	-	-	-	-
Expenses related to investments	(13.09)	(7.42)	(19.27)	(15.75)	(13.18)
Net Cash flow from investing activities (B)	**(3,484.37)**	**(1,622.76)**	**(6,247.49)**	**(7,485.16)**	**228.02**
Cash flows from financing activities :					
Proceeds from Issuance of Share Capital	-	-	-	-	-
Share Application Money Received	-	-	-	-	-
Proceeds from Borrowings (net)	500.00	-	-	2,300.00	-
Borrowings issue expenses	-	-	-	(29.29)	-
Interest/ Dividend Paid	(387.03)	(284.99)	(286.29)	(17.34)	(105.17)
Cash flow from financing activities (C)	**112.97**	**(284.99)**	**(286.29)**	**2,253.37**	**(105.17)**
Net increase in cash & cash equivalents (A+B+C)	(1,452.00)	(903.09)	2,081.56	674.84	(210.07)
Cash and cash equivalents at the beginning of the period	3,009.71	928.15	928.15	253.31	463.38
Cash and cash equivalents at the end of the period including Bank Overdraft	**1,557.71**	**25.06**	**3,009.71**	**928.15**	**253.31**
Cash and cash Equivalent at the end of the period:					
Cash & Bank balance as per Annexure XIX	1,580.66	905.16	3,373.15	1,252.85	1,013.02
Less: Temporary book over draft as per Annexure XXI	(22.95)	(880.10)	(363.44)	(324.70)	(759.71)
Cash and Cash Equivalent at the end including Bank Overdraft	**1,557.71**	**25.06**	**3,009.71**	**928.15**	**253.31**

The above statement should be read with the Significant Accounting Policies and Notes to the Restated Financial Information appearing in Annexure V and other schedules and disclosures appearing in Annexures VI - XXIV.

Annexure V: Summary of Significant Accounting Policies and Notes to Accounts

Significant accounting policies forming part of the restated financial information

1. Background

Reliance General Insurance Company Limited (hereinafter referred to as "the Company") was incorporated on August 17, 2000. The Company is a subsidiary of Reliance Capital Limited. The Company obtained regulatory approval to undertake General Insurance business on October 23, 2000 from the Insurance Regulatory and Development Authority of India ("IRDAI") and is in the business of underwriting general insurance relating to Fire, Marine and Miscellaneous segments.

The Company's certificate of renewal of registration dated February 25, 2014 was valid till March 31, 2015. Pursuant to section 3 read with section 3A of the Insurance Act, 1938 as amended by the Insurance Laws (Amendments) Act, 2015, the said certificate shall consequentially continue to be in force from April 1, 2015.

2. Basis of Preparation of Restated Financial Statements

The Restated Statement of Assets and Liabilities of the Reliance General Insurance Company Limited ('the Company') as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 and the Restated Statement of Revenue Account (Policyholders' Account), Restated Statement of Profit and Loss Account (Shareholders' Account) and the Restated Receipts and Payments Account for the half year ended September 30, 2018 and September 30, 2017 and for the years ended March 31, 2018, March 31, 2017 and March 31, 2016 (together referred as 'Restated Financial Information') and Other Financial Information have been extracted by the Management from the Audited Financial Statements of the Company for the respective years ("Audited Financial Statements").

The Audited Financial Statements of the Company as of and for the half year ended September 30, 2018 and September 30, 2017 and as of and for the years ended March 31, 2018, March 31, 2017and March 31, 2016 were prepared under the historical cost convention, on an accrual basis of accounting in accordance with the accounting principles and in the manner prescribed by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Financial Statements Regulations")and orders/directions, guidelines and circulars issued by IRDAI in this behalf and the Regulations framed there under read with relevant provisions under Insurance Act, 1938, as amended from time to time, including amendment brought by Insurance Laws (Amendment) Act, 2015 (applicable from the financial year ended March 31, 2016 onwards),the Insurance Regulatory and Development Authority Act, 1999, the Master Circular on Preparation of Financial Statements: General Insurance Business Ref No. IRDA/F&I/Cir/F&A/231/10/2012 dated October 05, 2012 ("the Master Circular") and other circulars issued by the IRDAI from time to time and the Companies Act, 2013 to the extent applicable. The financial statements are in compliance with the Accounting Standards (AS) as prescribed in section 133 of the Companies Act, 2013, red with Rule 7 of the Companies (Accounts) Rules 2014, to the extent applicable and confirm to the statutory provisions in regard to general insurance operations in India. Accounting policies have been consistently applied to the extent applicable and in the manner so required.

The Restated Financial Information and Other Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company with National Stock Exchange of India Limited and BSE Ltd. and (together 'the stock exchanges'), in accordance with the requirements of:

a) Section 26 to the Companies Act, 2013;

b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by the Securities and Exchange Board of India ("SEBI") on September,11 2018, as amended from time to time (together referred to as the "SEBI Regulations");

c) Para 1& 2 of Part (c) Schedule I of Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015 (referred to as the "IRDAI Regulations") issued by the Insurance Regulatory and Development Authority of India (the "IRDAI");

d) Guidance note on reports in Company Prospectuses (Revised 2019) ("Guidance Note")

These Restated Financial Information and Other Financial Information have been extracted by the Management from the Audited Financial Statements and:

- there were no audit qualifications on these financial statements,
- the changes in accounting policies during the years/periods of these financial statements have been appropriately reflected
(refer Annexure-VI),

- the material adjustments relating to previous years/period have been adjusted in the year/period to which they relate
- the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years, and
- adjustments have been made for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings and disclosures, the extent considered necessary, as per the Audited Financial Statements of the Company as at and for the half year ended September30, 2018, the requirements of the SEBI and as per the IRDA Regulations.

These Restated Financial Information and Other Financial Information is approved by the Board of Directors of the Company on January 30, 2019.

3. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates and assumptions used in preparing the accompanying financial statement. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

4. Revenue Recognition

a. Premium income

Premium (net of Service Tax/ Goods and Service Tax) is recognized as income over the contract period or the period of risk whichever is appropriate. Any subsequent revisions to or cancellations of premium are recognized in the year in which they occur. In respect of Government Schemes being implemented by the Company for crop and weather insurance, premium is recognized (including share of Central Government and respective State Government) upon remittance of Farmer's share received from the Nodal Banks out of such premium collected by them subject to acceptance of proposal/declaration by the Company.

b. Commission Income from reinsurance ceded

i. Commission income on reinsurance ceded is recognized as income in the period in which reinsurance premium is ceded.
ii. Profit commission under reinsurance treaties, wherever applicable, is recognized on accrual basis. Any subsequent revisions of profit commission are recognized in the year in which final determination of the profits are intimated by reinsurers.

c. Income earned on investments

i. Interest/dividend Income: Interest income is recognized on accrual basis. Dividend is recognized when right to receive dividend is established.

ii. Premium/discount on purchase of investments: Accretion of discount and amortization of premium relating to debt securities is recognized over the holding / maturity period on constant yield to maturity method.

iii. Profit/loss on sale of securities: Realized profit or loss on sale/redemption of securities is recognized on trade date basis. In determining the realized profit and loss, the cost of securities is arrived at on weighted average cost basis. Further, in case of listed equity shares and mutual funds the profit and loss also includes accumulated changes in the fair value previously recognized in the fair value change account and includes effects on accumulated fair value changes, previously recognized, for specific investments sold/redeemed during the year.

5. Premium received in advance

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

6. Reinsurance Premium

i. Insurance premium ceded is accounted in the year in which the risk commences and recognized over the Contract period. Any subsequent revision to refunds & cancellation of policies are recognized in the year in which they occur.
ii. Reinsurance inward is accounted to the extent of the returns received from the reinsurer.

7. Reserve for Unexpired Risk

Reserve for unexpired risk is made on the amount representing that part of the net premium written which is attributable to, and to be allocated to the succeeding accounting period using 1/365 method for all lines of business other than Marine Hull. In case of Marine Hull business 100% of the Net Written Premium during the preceding twelve months is recognized as reserve for Unexpired Risk.

8. Claims Incurred

Claims incurred comprises of claims paid (net of salvage and other recoveries), change in estimated liability for outstanding claims made following a loss occurrence reported and change in estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey / legal fees and other directly attributable costs.

Salvage is recognized on realization basis.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation using statistical method of estimates certified by Appointed Actuary. These estimates are progressively revalidated on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') is certified jointly by the Appointed Actuary and the Mentor to the Appointed Actuary of the Company for the half year ended September 30, 2018 and September 30, 2017 and the years ended March 31, 2018 and March 31, 2017.

For the financial year 2015-16, Provision for IBNR/IBNER has been made based on the report from an external consulting Actuary.

9. Acquisition Cost

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts and are expensed in the period in which they are incurred.

10. Loans

Loans are stated at historical cost, subject to provision as per master circular IRDA/F&I/CIR/F&A/231/10/2012 dated October 5, 2012 and impairment, if any.

11. Borrowing Cost

Borrowing cost, which is directly attributable to a borrowing are expensed over the tenure of the borrowing. Interest costs on borrowings are accrued based on coupon rate.

12. Premium Deficiency Reserve

Premium deficiency reserve is recognized if the cost of expected net claim cost, related expenses and maintenance cost exceeds the sum of related premium carried forward to subsequent accounting period as the reserve for unexpired risk. Premium deficiency reserve is recognized at the Company level. The Company considers maintenance cost as relevant cost incurred for ensuring claim handling operations. The expected claim cost is calculated and certified by the Appointed Actuary and the Mentor to the Appointed Actuary of the Company for the half year ended September 30, 2018 and September 30, 2017 and the years ended March 31, 2018 and March 31, 2017.

For the financial year 2015-16, the calculation of premium deficiency has been certified by an external consulting actuary.

13. Investments

i. Investments maturing within twelve months from the Balance sheet date are classified as short term investments. Investments other than short term investments are classified as long term investments.
ii. Investments are carried at cost on weighted average basis. Cost includes brokerage, securities transactions tax, stamp duty and other charges incidental to transactions.

iii. Investment in debt securities is shown in the Balance sheet at historical cost subject to amortisation/accretion of the premium/discount over the maturity period based on constant yield to maturity method.
iv. Investment in equity shares as at the Balance sheet date is stated at fair value and fair value is the last quoted closing price on the National Stock Exchange. However, in case of any stock not being listed in National Stock Exchange, then the last quoted closing price in Bombay Stock Exchange is taken as fair value. Unrealized gains/losses are credited /debited to fair value change account.
v. Investment in Mutual Funds units is stated at latest available Net Asset Value (NAV) at the time of valuation at Balance sheet date. Unrealized gains/losses are credited/ debited to fair value change account.
vi. In accordance with the regulations, unrealized gain/loss arising due to changes in fair value of listed equity shares is taken to the fair value change account. This balance in the fair value change account is not available for distribution, pending crystallizations.

14. Impairment of Investments

The Company assesses at each Balance sheet date whether there is any indication that any investment in equity or units of mutual funds is 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 revenue(s)/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 investment is restated to that extent.

15. Fixed Assets & Depreciation/Amortization

i. Fixed assets are stated at cost less accumulated depreciation/amortization.
ii. Depreciation on Fixed Assets is provided on useful life basis in the manner provided in Schedule II of the Companies Act, 2013 or as given in point v and vi below.
iii. Lease Hold Improvements, is amortized over the primary period of lease.
iv. Capital work-in-progress includes assets not ready for intended use and is carried at cost, comprising direct cost and related incidental expenses.
v. Assets purchased for value not exceeding ₹5,000 is fully depreciated in the year of purchase.
vi. Useful life of Tangible and Intangible assets are as follows:

Tangible Assets:

S.No	Description	Useful Life
1	Furniture & Fixtures	10 Years
2	Information Technology Equipment*	2-3 Years
3	Information Technology Equipment (Server)	6 Years
4	Vehicles	8 Years
5	Office Equipment (Camera and Mobile)*	2 Years
6	Office Equipment (Others)	5 Years
7	Plant & Machinery	5 Years

*Based on technical advice

Intangible Assets:

S.No	Description	Useful Life
1	Intangible Asset (Computer Software)*	4 Years

*Based on technical advice

16. Impairment of Assets

The Company assesses at each Balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognized in the profit and loss account and reportable revenue segments. 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.

17. Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments of assets/premises taken on operating lease are recognized as an expense in the revenue(s) or profit and loss account over the lease term on straight-line basis.

18. Employee Benefits

I. Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, bonus and other short term benefits are recognized in the period in which the employee renders the services. All short term employee benefits are accounted on undiscounted basis.

II. Long Term Employee Benefits

The Company has both defined contribution and defined benefit plans. The plans are financed by the Company and in the case of some defined contribution plans, by the Company along with its employees.

A. Defined Contribution Plan

The Company's superannuation scheme and provident fund scheme are defined under contribution plans. The contributions paid/payable under the scheme are recognized in the Profit and Loss account and revenue account as applicable.

B. Defined Benefit Plan

The employee's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on actuarial valuation carried out by an independent actuary using projected unit credit method. Actuarial gains and losses are recognized in the Profit and Loss account and revenue account as applicable. To the extent the benefits are already vested, past service cost is recognized.

III. Other Long Term Employee Benefits

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

IV. Phantom Stock Option Scheme

Phantom Stock Option Scheme, 2015 ('the Scheme') are cash settled rights where the Employees are entitled to get cash compensation based on a formula linked to the Fair Market Value of Shares upon exercise of the Phantom Stock Options. The Company's liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end using projected unit credit method and any actuarial gains/losses are charged to the revenue account or the profit and loss account, as applicable over the vesting period on straight line method.

V. Employee Stock Option Plan

The Company follows the intrinsic method for computing the compensation cost, for options granted under the Plan. The difference, if any, between the intrinsic value and the exercise price, being the compensation cost is amortized over the vesting period of the options.

19. Foreign Currency Transaction

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies at the year/period end are reinstated at the year/period end rates. Non-monetary foreign currency items are carried at cost. Any gain or loss on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account and Revenue Accounts as applicable.

20. Forward Contract Transaction

In case of forward exchange contracts entered into, to hedge the foreign currency exposure in respect of monetary items, the difference between the exchange rate on the date of such contracts and the period end rate is recognized in the profit and loss account and reportable revenue segments. Any profit / loss arising on cancellation of forward exchange contract is recognized as income or expense of the year.

21. Taxation

The Company provides for Income Tax in accordance with the provisions of Income Tax Act 1961. Provision for Income Tax is made on the basis of estimated taxable income for the year at current rates. Tax expenses comprises of both Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amounts of Income Tax payable/recoverable in respect of the taxable income/loss for the reporting period.

Deferred Tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation and carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty backed by the convincing evidence of realization of such assets. Deferred tax assets are reviewed as at each Balance sheet date and are appropriately adjusted to reflect the amount that is reasonably or virtually certain to be realized.

In accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India and in accordance with the provisions of the Income tax Act, 1961, Minimum Alternative Tax (MAT) credit is recognized as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

22. Allocation of Expenses

The Company has a Board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016.

Accordingly, operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

i. Expenses, which are attributable and identifiable to the business segments, are directly charged to relevant business segment. This is determined by the management, based on the nature of the expenses and their relationship with various business segments, wherever possible
ii. Employee's remuneration and welfare expenses relating to underwriting and claims function, which are attributable and identified at Health, Motor and Commercial lines of business, are directly charged to the respective lines of business and the same will further be allocated based on Net Written Premium of respective class of business
iii. Other expenses, that are not identifiable at the segments, are allocated on the basis of Net Written Premium in each business class, except advertisement and publicity expenses, which are not allocated, where business is sourced through tender biding towards government sponsored schemes for Health and Crop and Weather.

Expenses relating to investment activities and interest cost on borrowings are charged to profit and loss account.

23. Allocation of Investment Assets

Investments assets are bifurcated into Policyholders and Shareholders funds on notional basis as per IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated April 04, 2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated January 12, 2017. Policy holders funds represent amount equivalent to sum of Outstanding Claims including Incurred but not Reported (IBNR) and Incurred but not Enough Reported (IBNER), Unexpired Risk Reserve (URR), Premium Deficiency, Catastrophe Reserve and Other Liabilities net off other assets as specified by the authority and the balance being disclosed as Shareholders Funds.

24. Allocation of Investment Income

Investment Income has been allocated between revenue accounts and profit and loss account in the ratio, an investment asset is bifurcated between policyholders and shareholders. Further, investment income between policyholder's is allocated on the basis of the ratio of average policyholder's funds comprising of reserves for unexpired risks, IBNR, IBNER and outstanding claims.

25. Earnings per share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted EPS comprises of weighted average number of shares considered for deriving basic EPS and also the

weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.
Potential equity shares are deemed to be dilutive only if their conversion of equity shares would decrease the net profit per share from continuing ordinary operations.

26. Provision, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognized but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognized nor disclosed in the financial statements.

Schedule and notes to accounts to Restated Financial Information

1. **Contingent Liabilities:**

(₹ in millions)

Particulars	As at				
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Partly paid up investments	-	-	-	-	-
Underwriting commitments outstanding	-	-	-	-	-
Claims, other than under policies, not acknowledged as debt (Net)	10.53	44.77	44.47	23.71	21.60
Guarantees given by or on behalf of the company	12.49	3.52	11.99	1.07	75.51
Statutory demands/liabilities in dispute, not provided for (see note (c) & (e) below)	549.50	7. 43	567.67	1.61	1.61
Reinsurance obligations to the extent not provided for in accounts	-	-	-	-	-
Others (see note (f) below)	13. 93	13.93	27.02	13.93	13.93

Note:

a) Service Tax Department had filed an appeal before CESTAT on the issue of availment of Cenvat Credit in excess of restriction of 20% of output service tax liability during financial year 2006-07 as per erstwhile Rule 6(3)(c) of Cenvat Credit Rules amounting to ₹160.85 million. Based on the favourable order from Principal Commissioner, Service Tax-II, Mumbai, the management does not expect any outflow of economic benefits and assessed the likelihood of outflow of resources as remote, hence not considered in the above table.

b) Service Tax Department had filed an appeal before CESTAT on the issue of wrong availment of Input Credit for the financial year from 2006-07 to 2010-11 amounting to ₹0.85 million. Based on the favourable order from Principal Commissioner, Service Tax-II, Mumbai, the management does not expect any outflow of economic benefits and assessed the likelihood of outflow of resources as remote.

c) The Company has received adverse order on the issue of wrong availment of Cenvat Credit amounted to ₹274.57 million for the period FY 2009-10 to FY 2012-13. A penalty is also imposed on the said order of ₹274.57 million. The Company is in the process of filing the appeal with CESTAT against the same.

d) The Show cause notices issued by Tax Authorities have not been considered as obligations by the company. The demand notices are classified as disputed only when the same are confirmed by the Appellate Authority.

e) The Company had disputed the demand raised by the income tax department for section 14A disallowance for ₹0.37 million for A.Y 2007-2008.

f) Statutory bonus of ₹13.93 million pursuant to retrospective amendment in the Bonus Act, 1965 for financial year 2014-15 have not been provided considering stay orders of Hon'ble Kerala High Court and Karnataka High Court.

2. According to the information available with the Company there are no dues payable to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act 2006 as at September 30, 2018, September 30, 2017, March 31, 2018 and March 31, 2017.

   For the year ended on March 31, 2016, the management was continuously in the process of identifying enterprises which have provided goods and services to the Company which qualify under the definition of medium and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such Micro, Small and Medium enterprises has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the act is not expected to be material.

3. There are no encumbrances to the assets of the company in and outside India.

4. The company has not invested any amount in real estate in the half year ended September 30, 2018 and September30, 2017 and the year ended March 31, 2018, March 31, 2017and March 31, 2016.

5. **Commitments:**

Please refer table below –

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
For Loans	-	-	-	-	-
For Investments	-	-	-	-	-
For Fixed assets (Net of Advances)	36.92	66.41	28.81	28.57	91.62

6. **Premium:**
   i. All premiums net of reinsurance are written and received in India.

   ii. Premium income recognised on "Varying Risk Pattern" for the half year ended September 30, 2018 is Nil, September 30, 2017 is Nil and the year ended March 31, 2018 is Nil, Year ended March 31, 2017: Nil and Year ended March 31, 2016: Nil.

7. **Claims:**

   Claims net of reinsurances are incurred and paid to claimants in/outside India as under:

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
In India	10,440.07	8,348.82	16,917.32	12,215.56	15,060.98
Outside India	44.65	24.69	56.74	85.49	28.70

   i. There are no claims which are settled and unpaid for a period of more than six months as on the Balance sheet date.

   ii. Ageing of gross claims outstanding is set out in the table below:

(₹ in millions)

Particulars	As at				
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
More than six months	21,608.68	22,472. 76	21,456.81	16,856.18	17,977.92
Others	8,082.82	4,877.08	5,041.73	10,481.17	5,672.39

   iii. Claims where the claim payment period exceeds four years is as below:

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Claim payment period > 4 years	-	-	-	-	-

8. **Investments:**
   i. Value of contracts in relation to investments for:

(₹ in millions)

Particulars	As at				
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Purchases where deliveries are pending*	-	5.22	-	53.19	466.86
Sales where payment are overdue	-	-	-	-	-
Sales where deliveries are pending	-	482.41	207.10	1,442.48	2,024.50

*These amounts have been settled post balance sheet date

ii. Historical cost of Investments valued at fair value as on the Balance sheet Date:

(₹ in millions)

Particulars	As at				
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Historical Cost	3,693.75	4,555.90	3,360.41	3,895.58	2,598.79

9. **Employee Benefits:**

i. Defined Contribution Plan:

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Contribution to Staff provident fund	61.12	50.50	101.66	94.41	83.33

ii. Defined Benefit Plan: The disclosure required under the define benefit plan as per AS 15 for gratuity fund is provided below:

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
I. Assumptions					
Discount Rate	8.13%	6.63%	7.18%	6.67%	7.48%
Rate of Return on Plan Assets	8.13%	6.63%	7.18%	6.67%	7.48%
Salary Escalation	6.00%	6.00%	6.00%	6.00%	6.00%
II. Table Showing Change in Benefit Obligation					
Liability at the beginning of the Period	159.62	129.89	129.89	104.63	79.31
Interest Cost	5.73	4.33	8.66	7.83	6.41
Current Service Cost	9.78	8.51	17.01	13.96	17.64
Benefit Paid	(13. 62)	(7.73)	(14.99)	(16.42)	(13.74)
Actuarial (Gain)/Loss on Plan Obligation	13.41	18.06	19.05	19.89	15.01
Liability at the end of the Period	**174. 92**	**153.06**	**159.62**	**129.89**	**104.63**
III. Tables of Fair value of Plan Assets					
Fair Value of Plan Assets at the beginning of the Period	152.49	127.28	127.28	101.85	75.13
Expected Return on Plan Assets	5.47	4.25	8.49	7.62	6.07
Contributions	7.13	2.61	33.02	29.87	36.88
Benefit Paid	(13.62)	(7.73)	(14.99)	(16.42)	(13.74)
Actuarial Gain/(Loss) on Plan Assets	(4.91)	1.37	(1.31)	4.36	(2.49)
Fair Value of Plan Assets at the end of the Period	**146.57**	**127.78**	**152.49**	**127.28**	**101.85**
Total Actuarial Gain/(Loss) to be recognised	**(18.32)**	**(16.69)**	**(20.36)**	**(15.53)**	**(17.50)**
IV. Actual Return on Plan Assets					
Expected return on Plan Assets	5.47	4.25	8.49	7.62	6.07
Actuarial Gain/(Loss) on Plan Assets	(4.91)	1.37	(1.31)	4.36	(2.49)
Actual return on Plan Assets	**0.56**	**5.62**	**7.18**	**11.98**	**3.58**
V. Amount Recognised in the Balance sheet					
Liability at the end of the Period	174. 92	153.06	159.62	129.89	104.63
Fair Value of Plan Assets at the end of the Period	146.57	127.78	152.49	127.28	101.85
Difference	28.35	25.28	7.13	2.61	2.78

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Amount Recognised in the Balance sheet	**28.35**	**25.28**	**7.13**	**2.61**	**2.78**
VI. Expenses Recognised in the Income Statement					
Current Service Cost	9.78	8.51	17.01	13.96	17.64
Interest Cost	5.73	4.33	8.66	7.83	6.41
Expected Return on Plan Assets	(5.47)	(4.25)	(8.49)	(7.62)	(6.07)
Net Actuarial (Gain)/Loss to be recognized	18.32	16.69	20.36	15.53	17.50
Expense Recognised in P&L	**28.35**	**25.28**	**37.54**	**29.70**	**35.48**
VII. Amount Recognised in the Balance sheet					
Opening Net Liability	7.13	2.61	2.61	2.78	4.18
Expense as above	28.35	25.28	37.54	29.70	35.48
Employers Contribution Paid	(7.13)	(2.61)	(33.02)	(29.87)	(36.88)
Closing Net Liability	**28.35**	**25.28**	**7.13**	**2.61**	**2.78**

Experience adjustments

(₹ in millions)

Particulars	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Defined benefits obligations	174.92	153.06	159.62	129.89	104.63	79.31	45.73
Plan assets	146.57	127.78	152.49	127.28	101.85	75.13	49.60
Surplus/ (Deficit)	(28.35)	(25.28)	(7.13)	(2.61)	(2.78)	(4.18)	3.87
Experience adjustment for plan liabilities (Gain)/ Losses	18.74	17.86	21.66	16.56	5.88	15.91	0.67
Experience adjustment for plan Asset (losses)/Gains	(4.92)	1.37	(1.31)	4.36	(2.49)	4.71	0.29

As the gratuity fund is managed by Reliance Nippon Life Insurance Company Limited, details of its investments are not available with the Company.

10. **Deferred Taxes:**

The deferred tax assets and liabilities arising due to timing differences have been recognized in the financial statements as under:

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Deferred Tax Asset/ (Liability)					
Related to Fixed Assets	44.71	26.51	35.99	15.52	7.90
Related to Leave Encashment Provision	1.63	8.44	0.91	7.62	6.65
Long Term Employee Benefit	54.99	54.01	44.13	33.73	10.47
Provision for Doubtful Debt/ Advances	247.43	-	231.40	191.80	180.36
Unabsorbed Depreciation	397.02	393.20	397.02	393.20	393.20
Others	-	-	-	-	(8.55)
Total	**745.78**	**482.15**	**709.45**	**641.87**	**590.03**
Deferred Tax Asset/(Liability) (Net) Restricted to	**372.74**	**372.74**	**372.74**	**372.74**	**364.18**
Deferred Tax Expense/(Income) recognised in Profit & Loss A/c	**-**	**-**	**-**	**(8.55)**	**9.36**

The company has Deferred Tax Asset in the form of disallowances under Income Tax Act and carried forward losses. The Company has recognised Deferred Tax Asset of ₹ 372.74 million for the half year ended September 30, 2018 and September 30, 2017 and the years ended March 31, 2018 & March 31, 2017 and ₹364.18 million for the year ended March 31, 2016 in the books of accounts on conservative basis. No deferred tax on carry forward losses has been recognised as there is no virtual certainty.

No deferred tax on carry forward losses provided on conservative basis. Deferred Tax impact on account of restatement adjustments have been recognised in the Profit & Loss Account.

11. **Phantom Stock Option Scheme (PSOS):-**

(i) Details of vesting schedule and condition :-
Phantom Stock Options granted under the Scheme would vest within not less than 1 year and not more than 5 years from the last date of vesting of such Phantom Stock Options. Vesting of Phantom Stock Options would be subject to continued employment with the Company and thus the Phantom Stock Options would vest on passage of time.

(ii) Options granted, forfeited and exercised are given below:

Particulars	For the half year ended September 30, 2018	For the half year ended September 30, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
	No. of Options	No. of Options	No. of Options	No. of options	No. of options
Outstanding at beginning of the period	1,768,206	1,033,673	1,033,673	1,094,019	Nil
Granted	Nil	Nil	884,103*	Nil	1,107,747
Exercised	66,240	25,963	45,719	Nil	Nil
Lapsed/ Forfeited/Surrendered	Nil	1,03,851	103,851	60,346	13,728
Outstanding as at end of the Period	17,01,966	9,03,859	1,768,206	1,033,673	1,094,019
Exercisable as at the end of the Period	617,466	1,80,772	707,282	206,735	Nil

* During the year March 2018, the Company has granted bonus shares in 1:1. The grant includes impact of bonus shares in 1:1 issued by the Company.

(iii) Detail of phantom share granted subject to the term and conditions as per Phantom stock scheme.

Particulars	
Date of grant	October 15, 2015
Base Price Per Phantom stock Option	₹ 122/- (Post bonus ₹ 61/-)
Appreciation per Phantom stock Option	Excess of 'fair market of share on the date of exercise' determined in term of the Phantom Stock Option Scheme over the Base Price'
Formula for the valuation of the Co.	Book Value X Fixed Multiplier (3.5) (From July 01, 2017) 50% of Gross Written Premium (GWP)+ Profit Before Tax (PBT) X Fixed Multiplier (5) (Upto the year ended June 30, 2017)
Exercise Period	a. In case of continuation of employment : Vested Phantom Stock Options can be exercised any time up to 3 years from the date of last vesting of Phantom stock Options; and
	b. In case of cessation of employment: Different periods depending on kind of cessation as per provision of the Phantom Stock Option scheme.
Settlement of Phantom Stock Options	Within 90 days from the date of exercise by cash.

(iv) The fair value of the options granted are with following assumptions:

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Discount rate	8.10%	6.63%	7.18%	6.77%	7.72%
Expected Life	4 Years	4 years	3 Years	5 Years	5 Years

(v) The Company's liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end. The valuation of the shares is done considering the Project Unit Credit Method and the progression of share price up to the exercise of the option.

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Expense recognised in the period	31.09	58.59	28.82	67.21	30.25

12. **Employee Stock Option Scheme (ESOP)**

Reliance General Insurance Company Limited Employee Stock Option Scheme is in compliance with the SEBI ESOP Regulations and the Companies Act, 2013, and is accounted for in accordance with guidance notes issued by ICAI and the relevant accounting standards. Further salient features in relation to the options granted in 2017 and 2018 are as follows.

Grant 2017 as on September 30, 2018

Particulars	Details
Date of Grant	August 04, 2017
Options granted	21,97,764 options
Pricing formula	Booked value X Fixed Multiplier (3.5)
Exercised during the period	Nil
Vested during the period	5,08,304 options
Exercise price of options (in ₹)	₹179 per option
Vesting period	The vesting period specified under RGICL ESOP is 4 Years
Options lapsed/ forfeited/ cancelled	1,65,548 options were lapsed/ forfeited/ cancelled.
Total number of options in force	20,33,216 unvested options

Grant 2018 as on September 30, 2018

Particulars	Details
Date of Grant	April 27, 2018
Options granted	18,95,429 options
New Grant	20,202 options
Pricing formula	Booked value X Fixed Multiplier (3.5)
Exercised during the period	Nil
Vested during the period	Nil
Exercise price of options (in ₹)	198 per option
Vesting period	The vesting period specified under RGICL ESOP is 4 Years
Options lapsed/ forfeited/ cancelled	3,881 options were lapsed/ forfeited/ cancelled.
Total number of options in force	19,11,750 unvested options

The company has chosen to account by the Intrinsic Value Method. The total expense recognized for the year arising from stock option plan as per Intrinsic Value Method is Nil. There is no impact of fair value method on granted option, accordingly no change in earnings per share.

13. **Premium Deficiency Reserve:**

In accordance with Insurance Regulatory and Development Authority of India (Asset, Liabilities and Solvency Margin of General Insurance Business) Regulation, 2016, there was no liability towards premium deficiency at the Company level as on September 30, 2018, September 30, 2017, March 31, 2018 and March 31, 2017.

The expected claim cost is calculated and duly certified jointly by the Appointed Actuary and Mentor to the Appointed Actuary of the Company as on September 30, 2018, September 30, 2017, March 31, 2018 and March 31, 2017.

As regards to March 31, 2016 there was no premium deficiency at company level in accordance with Master Circular and Corrigendum on Master Circular on preparation of financial statement issued by IRDA vide circular number IRDA/F&I/CIR/F&A/231/10/2012 dated October 5, 2012 and circular number IRDA/F&A/CIR/FA/126/07/2013 dated July 3, 2013 respectively.

In the FY 2015-16, the calculation of premium deficiency has been certified by an external consulting actuary.

14. **Details of Outsourcing, Business Development and Marketing Support Expenses:**

(₹ in millions)

Particulars	For the half year ended		For the Year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Outsourcing Expenses	742.34	642.84	1,509.95	1,252.08	1,113.91
Business Development	696.97	1,688.12	2,890.47	2,888.56	2,186.41
Marketing Support	606.75	482.00	795.08	615.84	398.85

15. **Terrorism Pool:**

In accordance with the requirements of IRDAI, the company together with other insurance companies participates in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India (GIC). Amount collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee (TAC) are ceded at 100% of the terrorism premium collected to the Terrorism Pool.

In accordance with the terms of the agreement, GIC retrocede to the company, terrorism premium to the extent of the company's share in the risk which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from GIC. The reinsurance accepted on account of terrorism pool has been recorded in accordance with the latest statement received from GIC

The Company has created liability to the extent of 50% of premium retro ceded to the company through reserve for unexpired risks.

16. **Indian Motor Third Party Decline Risk Pool (IMTPDRP):**

The Authority vide Order dated January 03, 2012 has created IMTPDRP for Act only Commercial Vehicle third party risks i.e. Act only policies.Under this arrangement, any business relating to Act only policies of Commercial Vehicles which does not fall within the underwriting parameters of insurers shall be ceded to IMTPDRP. This arrangement is called the Declined Risk Pool. Under IMTPDRP, IRDAI has mandated that every insurer has to comply with the obligation to underwrite a minimum percentage of such policies that is calculated as an average of insurer's total gross premium percentage share in the industry and gross motor premium percentage share in the industry.

The Company, together with other insurance companies, was participating in the Indian Motor Third Party Decline Risk Pool (IMTPDRP). The IMTDRP was administered by the General Insurance Corporation of India (GIC). The Company had received its share of premium, claims and expenses from the Pool, which is accounted as reinsurance accepted business for that particular year. Unexpired risk reserve is provided at 50% of such net written premium.

IRDAI vide Circular IRDA/NL/CIR/MISC/051/03/2016 dated March 15, 2016 had directed the dismantling of Declined Risk Pool with effect from April 01, 2016.

17. **Indian Motor Third Party Insurance Pool (IMTPIP):**

a) In accordance with the directions of IRDAI, the Company, together with other insurance companies, had participated in the Indian Motor Third Party Insurance Pool (IMTPIP). The IMTPIP was a multilateral reinsurance arrangement, in which all member companies were compulsorily required to participate. The IMTPIP was administered by the General Insurance Corporation of India ('GIC'). The IMTPIP had covered reinsurance of third party risks of specified motor vehicles ("Specified Risks"). Amounts collected as premium in respect of Specified Risks were ceded at 100% of such premium, 100% of claims incurred against risks ceded being recoverable from the pool.

b) In accordance with the terms of the agreement, each participant company was compulsorily required to share in the revenues, expenses, assets and liabilities of the IMTPIP, including Unexpired Risks Reserve, in the proportion that the company's Gross Direct Premium written in India (GDPI), bears to the total GDPI of all participant companies.

The Company's share as specified above had been recorded based on the returns submitted by GIC, under the respective heads.

c) IRDAI through its Orders dated December 23, 2011, January 03, 2012 and March 22, 2012 had directed the dismantling of the Pool on a clean cut basis and advised recognition of the Pool liabilities as per loss ratios estimated by Government's Actuary Department UK ("GAD Estimates") at 159%, 188%, 200%, 213% and 145% for underwriting year 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 respectively and permitted companies to recognise this transitions liability on a straight line basis over a period of three year beginning with financial year ended March 31, 2012. Refer Annexure-VI.

18. **Contribution to Environment Relief Fund:**

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Collected	0.79	0.89	1.48	1.55	1.37
Deposited	0.72	0.73	1.46	1.54	1.41
Outstanding balance shown in current liability	0.12	0.19	0.05	0.03	0.01

19. **Contribution to Solatium Fund:**

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 04, 2005, the Company has provided 0.1% of gross written premium on all motor third party policies (excluding reinsurance premium accepted on motor third party for commercial vehicles) towards contribution to the solatium fund.

20. Reliance Capital Limited (RCL) had infused capital of ₹900 million during the financial year 2014-15. Pursuant to RBI approval letter dated June 02, 2016 to RCL, the Company has allotted the shares to RCL during the financial year 2016-17.

21. **Reduction of Share Capital:**
Pursuant to High Court order dated January 08, 2016, the Company has reduced Securities Premium from ₹16,242.88 million to ₹8,054.80 million by utilizing the same towards deficit in the Profit & Loss Account as at March 31, 2016. The Company received approval from IRDAI on May 23, 2016 in this regards. Further, the Company has charged the expenses amounting to ₹1.51 million incurred for the reduction of share capital to the Profit & Loss account as per the direction received from IRDAI.

22. During the year ended March 31, 2017, the Board has approved formation of a separate Health Insurance Company by Reliance Capital Limited subject to IRDAI and other applicable approvals. Retail Health Insurance Business will be the focus of the new Health Insurance Company and the Company will continue to focus on Group Health Insurance Business and Government Health Insurance Business and other ancillary areas.

23. The Company, being an Insurance Company, has not disclosed the details of Specified Bank Notes (SBN) held and transacted during the period November 08, 2016 to December 30, 2016 as required under Notification G.S.R. 308(E) dated March 30, 2017 issued by Ministry of Corporate Affairs as the same is not applicable to the Company.

24. **Borrowings:**
During the year ended March 31, 2017, the Company has issued Unsecured Subordinated Redeemable 9.10% Non-Convertible Debentures, in accordance with Insurance Regulatory and Development Authority of India (Other forms of Capital) Regulations, 2015, amounting to ₹2,300 million on private placement basis listed at Bombay Stock Exchange.

Maturity Pattern from the date of issue

(₹ in millions)

Maturity Buckets	Borrowings
1 to 5 years	-
Above 5 years	2,300
Total	**2,300**

Gist of the terms of issue are as follows:

Series	A NCD 01 Type I
Type, Nature and Seniority of Instrument	Rated, listed, unsecured, subordinated, redeemable and non convertible debentures
Face Value (per security)	₹1 in Million
Issue Size	₹2,300 in Million
Issue Date / Date of Allotment	August 16, 2016
Redemption Date	August 17, 2026
Coupon Rate	9.10% per annum
Credit Rating	“CARE AA” by CARE and “BWR AA” by Brickwork
Listing	Listed on WDM on BSE
Frequency of the Interest Payment	Annual

The Company has created Debenture Redemption Reserve (DRR) in accordance with IRDA circular no. IRDA/F&A/OFC/01/2014-15/115 in the restated financial information.

Securities Pledge with Clearing Corporation of India Limited (CCIL) against CBLO:- Face Value ` 510.08 million and Amortised Book Value ` 547.03 million (as at 30.09.2017 NIL and as at 31.03.2018 NIL) and Borrowing of `500 million are due within 12 months consist of CBLO.

25. **Corporate Social Responsibility:**

Details of amounts provided and required to be spent on Corporate Social Responsibility (CSR) activities approved by the CSR Committee of the Board are given below

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Gross Amount Required to be Spent	0.10	-	20.72	16.27	3.51
Amount Spent During the year	-	-	20.72	16.27	3.51

26. **MAT credit entitlement**

(₹ in millions)

Particulars	As at				
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
MAT	1,169.42	776.72	972.92	588.39	288.59

27. **Leases:**

In respect of premises taken on operating lease, the lease agreements are generally mutually renewable/ cancellable by the lessor/lessee except for some premises.

Non-Cancellable Operating Lease

The total of future minimum lease rent payable under operating lease for premises & assets for each of the following periods:

(₹ in millions)

Particulars	For the half year ended		For the Year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Not later than one year	41.17	21.40	27.49	25.30	24.34
Later than one year and not later than five years	75.45	9.37	45.12	6.63	12.52
Later than five years	8.54	-	9.72	-	-

Lease payment debited to the Revenue account -

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Lease payment debited to P&L	149.97	137.09	244.06	215.49	215.79

28. **Sector wise business based on Gross Direct Premium (GDP):**

Particulars	For the half year ended				For the year ended					
	September 30, 2018		September 30, 2017		March 31, 2018		March 31, 2017		March 31, 2016	
	GDP (₹in Millions)	% of GDP	GDP (₹in Millions)	% of GDP	GDP (₹in Millions)	% of GDP	GDP (₹in Millions)	% of GDP	GDP (₹in Millions)	% of GDP
Rural	9,962.36	28%	8,937.86	30%	13,385.26	26%	12,525.67	32%	2,711.76	10%
Urban	25,727.46	72%	20,515.27	70%	37,305.53	74%	26,827.84	68%	25,204.79	90%
Total	**35,689.82**	**100%**	**29,453.13**	**100%**	**50,690.79**	**100%**	**39,353.51**	**100%**	**27,916.55**	**100%**

Particulars	For the half year ended				For the year ended					
	September 30, 2018		September 30, 2017		March 31, 2018		March 31, 2017		March 31, 2016	
	GDP (₹ in Millions)	No. Of Lives	GDP (₹ in Millions)	No. Of Lives	GDP (₹ in Millions)	No. Of Lives	GDP (₹ in Millions)	No. Of Lives	GDP (₹ in Millions)	No. Of Lives
Social	9,264.61	20,41,172	9.23	1,95,487	11,828.04	2,445,533	11,008.77	5,959,624	1,141.52	515,414

29. Extent of risk retained and reinsured is set out below(excluding excess of loss and catastrophe reinsurance)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
	% of business written	% of business written	% of business written	% of business written	% of business written
Risk Retained	57%	62%	63%	58%	72%
Risk Reinsured	43%	38%	37%	42%	28%

30. **Managerial Remuneration:**

(₹ in millions)

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Salaries	11.10	31.09	42.17	37.70	34.22
Contribution to Provident Fund and Superannuation	1.69	1.69	3.38	3.04	2.70
Provision for Gratuity and Leave Encashment	0.93	0.93	1.85	1.66	1.48

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

The managerial remuneration in excess of ₹15 million for each managerial personnel has been charged to Profit & Loss Account.

31. **Basis used for determining IBNR / IBNER and Valuation of Liabilities**

The liability for IBNR and IBNER as at September 30, 2018, September 30, 2017, March 31, 2018 and March 31, 2017 has been estimated by Appointed Actuary in consultation with Mentor to the Appointed Actuary as per the IRDA circular no. 11/IRDA/ACTL/IBNR/2005-06 dated June 08, 2005 and Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2006.

The liability for IBNR and IBNER as at March 31, 2016 has been based on the report from an external consulting Actuary as the Company's Appointed Actuary had resigned from the company on August 28, 2015 and the company was in the process of appointment of new Appointed Actuary.

For all lines of business, the estimation was carried out using past trends in the claims experience as indicated by paid claims chain ladder and incurred claims chain ladder approach.

Bornhuetter – Ferguson method of estimation was also applied for some lines as considered appropriate by the Appointed Actuary in consultation with Mentor to the Appointed Actuary.

For motor third party line of business, the estimates were done using ultimate loss ratio method. For liabilities relating to erstwhile motor third party pool and declined risk pool, the ultimate loss ratios as specified in regulatory circulars were referred to in determining the estimates (upto period ended on March 31, 2016).

During the year March 31, 2017, the Panel Actuary has done valuation of liabilities as at March 31, 2016, which shows further strengthening of reserving amounting to ₹1,713.93 millions, which is fully recognised by the Company during the year in order to maintain consistency in the process of estimating the IBNR, the methods adopted by the Panel Actuary is continued in IBNR estimation.

32. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company for the half year ended September 30, 2018 and September 30, 2017 and the years ended March 31, 2018, March 31, 2017 and March 31, 2016.

33. As per IRDAI Circular No 005/IRDA/F&A/CIR/MAY-09 dated May 07, 2009, below table mentions the details of the penalty imposed by various regulators and Government authorities:

For the half year ended September 30, 2018

(₹in millions)

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	None	0.50	0.50	Nil
2	Service Tax Authorities / GST Authorities	None	Nil	Nil	Nil
3	Income Tax Authorities	None	Nil	Nil	Nil
4	Any other Tax Authorities	None	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under	None	Nil	Nil	Nil

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
	FEMA				
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956	None	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	None	Nil	Nil	Nil
8	Securities and Exchange Board of India	None	Nil	Nil	Nil
9	Competition Commission of India	None	Nil	Nil	Nil
10	Any other Central/State/Local Government/Statutory Authority	None	Nil	Nil	Nil

For the half year ended September 30, 2017

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	None	Nil	Nil	Nil
2	Service Tax Authorities / GST Authorities	None	Nil	Nil	Nil
3	Income Tax Authorities	None	Nil	Nil	Nil
4	Any other Tax Authorities	None	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under FEMA	None	Nil	Nil	Nil
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956	None	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	None	Nil	Nil	Nil
8	Securities and Exchange Board of India	None	Nil	Nil	Nil
9	Competition Commission of India	None	Nil	Nil	Nil
10	Any other Central/State/Local Government/Statutory Authority	None	Nil	Nil	Nil

For the year ended March 31, 2018

(₹in millions)

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	None	Nil	Nil	Nil
2	Service Tax Authorities / GST Authorities	Penalty for excess Cenvat Credit utilisation under service tax.	3.82	3.82	Nil
3	Income Tax Authorities	None	Nil	Nil	Nil
4	Any other Tax Authorities	None	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under FEMA	None	Nil	Nil	Nil
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956	None	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for	None	Nil	Nil	Nil

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
	any matter including claim settlement but excluding compensation				
8	Securities and Exchange Board of India	None	Nil	Nil	Nil
9	Competition Commission of India	None	Nil	Nil	Nil
10	Any other Central/State/Local Government/Statutory Authority	None	Nil	Nil	Nil

<u>During year ended March 31, 2017</u>

(₹ in millions)

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	None	Nil	Nil	Nil
2	Service Tax Authorities	None	Nil	Nil	Nil
3	Income Tax Authorities	None	Nil	Nil	Nil
4	Any other Tax Authorities	None	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under FEMA	None	Nil	Nil	Nil
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956	None	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	None	Nil	Nil	Nil
8	Securities and Exchange Board of India	None	Nil	Nil	Nil
9	Competition Commission of India	None	Nil	Nil	Nil
10	Any other Central/State/Local Government/Statutory Authority	None	Nil	Nil	Nil

<u>During year ended March 31, 2016</u>

(₹ in millions)

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	a) Violation of IRDA (Health Insurance) Regulations, 2013 (₹ 0.50 Million) b) Violation of Regulation 2(g)(i) of the IRDA (Registration of Indian Insurance Company) Regulation, 2002 (₹ 0.50 Million)	1.00	1.00	Nil
2	Service Tax Authorities	None	Nil	Nil	Nil
3	Income Tax Authorities	None	Nil	Nil	Ni
4	Any other Tax Authorities	None	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating Authority/Tribunal or any Authority under FEMA	None	Nil	Nil	Nil
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956	None	Nil	Nil	Nil

SI No.	Authority	Non-Compliance/Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	None	Nil	Nil	Nil
8	Securities and Exchange Board of India	None	Nil	Nil	Nil
9	Competition Commission of India	None	Nil	Nil	Nil
10	Any other Central/State/Local Government/Statutory Authority	None	Nil	Nil	Nil

34. As per IRDAI Master Circular on Unclaimed amount of policy holders reference no IRDA/F&A/CIR/Misc/173/07/2017 dated July 25, 2017, below mentioned table depicts the age-wise analysis of unclaimed amount of the policyholders as on September 30, 2018, March 31, 2018 and September 30, 2017:

(₹ in millions)

Particulars	Year/ Period	Total Amount	0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	36-120 months
a) Claim Settled but not paid to the policy holders /beneficiaries due to any reason except under litigation from the insured policyholders/beneficiaries.	September -18	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	March-18	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	September - 17	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Any other sum due/payable to the policyholder/beneficiaries on maturity or otherwise.	September -18	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	March-18	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	September - 17	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Any excess collection of premium/tax or any other charges which is refundable to the policyholders/beneficiaries either as per the terms of the conditions of the policy or as per Law or as per the direction of the authority but not refunded so far.[1]	September -18	89.22	29.05	5.57	3.53	3.41	4.00	2.81	40.87
	March-18	93.71	39.40	3.50	3.52	3.95	2.79	2.26	38.30
	September - 17	81.43	30.72	3.87	2.73	2.21	2.69	3.50	35.71
d) Cheques issued but not encashed by the policyholders/beneficiary.[1]	September -18	663.74	91.37	48.27	45.20	38.80	25.65	161.29	253.16
	March-18	650.94	102.92	60.86	55.70	26.69	157.36	16.68	230.73
	September - 17	649.18	112.52	72.51	32.16	157.49	16.70	16.36	241.48

[1]Interest Accrued on Unclaimed amount is allocated proportionately under respective above-mentioned particulars.

Statement showing the age-wise analysis of the unclaimed amount of policyholders for earlier periods is as follows:

(₹ in millions)

Particulars	Year/ Period	Total	4-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	Beyond 36 Months
a. Claim Settled but not paid to the policy holders/ insured due to any reason except	Mar-17	0.14	0.14	-	-	-	-	-
	Mar-16	-	-	-	-	-	-	-

Particulars	Year/ Period	Total	4-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	Beyond 36 Months
under litigation from the insured/ policyholders.								
b. Any other sum due/payable to the insured/policyholder on completion of the policy terms or otherwise.	Mar-17	-	-	-	-	-	-	-
	Mar-16	-	-	-	-	-	-	-
c. Any excess collection of premium/tax or any other charges which is refundable to the policyholders either as per the terms of the conditions of the policy or as per law or as per the direction of the authority but not refunded so far.[1]	Mar-17	53.76	7.29	3.84	2.71	2.20	2.67	35.05
	Mar-16	47.28	9.54	2.41	2.69	2.84	2.07	27.73
d. Cheques Issued by the company under "a", "b" or "c" above & cheques have not been encashed by the policyholders/Insured.[1] [2]	Mar-17	666.95	196.73	38.43	157.54	17.45	16.78	240.02
	Mar-16	457.40	182.57	21.76	18.50	13.77	10.78	210.02

[1]Interest Accrued on Unclaimed amount is allocated proportionately under respective above-mentioned particulars.
[2]Does not includes cheques issued to policyholders and appearing in bank reconciliation as on March 31, 2017 and March 31, 2016.

Further, as per the IRDAI Master Circular IRDA/F&A/CIR/Misc/173/07/2017 dated July 25, 2017; the details of unclaimed amounts and investment income thereon are as follows:

(₹ in millions)

Particulars	For the half year ended		For the Year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Opening Balance	**744.65**	**720.85**	**720.85**	**504.68**	**746.48**
Add:- Amount Transferred to Unclaimed amount	182.65	186.22	419.79	390.45	311.02
Add:- Cheques issued out of the unclaimed amount but not encashed by the policyholders (to be included only when the cheques are stale)	-	2.02	4.65	1.70	-
Add: Investment Income	19.44	15.08	28.20	33.15	-
Less: Amount paid during the year	193.77	193.57	415.74	209.13	552.82
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-	13.10	-	-
Closing Balance of Unclaimed Amount	**752.96**	**730.60**	**744.65**	**720.85**	**504.68**

The Master Circular on Unclaimed amount of Policyholders issued by IRDAI in July, 2017, has defined the 'Unclaimed Amounts of Policyholders' as those amounts which are outstanding for more than six months past due date or settlement date of such amount along with the manner of disclosure of age wise analysis of unclaimed amounts. The company has identified the unclaimed amounts based on the revised definition and has also disclosed age wise analysis in revised format as at September 30, 2018, March 31, 2018. and September 30, 2017. However, prior to issuance of the master circular, dated July 24, 2015 issued by IRDAI mandated to maintain equivalent Investment Assets and crediting the income earned to such policyholders effective April 01, 2016 and hence, the unclaimed amounts and respective age-wise analysis for earlier periods cannot be reclassified/ regrouped. Accordingly, for the reporting period as at March 31, 2017 and March 31, 2016 unclaimed amounts of policyholders have been identified by the management as per the earlier circulars. The corresponding unclaimed amounts outstanding for more than six months past due dates for earlier periods as per Master Circular issued in July 2017 are as follows:

(₹ in Millions)

Particulars	As at	
	March 31, 2017	**March 31, 2016**
Unclaimed amount of policyholders as per Master Circular issued in July 2017	647.67	500.12

35. As per the requirement of Accounting Standard 18 'Related Party Disclosures' as notified by the Companies (Accounting Standard) Rules, 2006 the following are the list of related parties with the relationship.

1. List of related parties*:

Holding Company	
Reliance Capital Limited	
Subsidiary of Holding Company	
1	Reliance Nippon Life Asset Management Limited (formerly Reliance Capital Asset Management Limited) (ceased w.e.f July 13, 2017)
2	Reliance Asset Management (Singapore) Pte. Limited (ceased w.e.f. July 13, 2017)
3	Reliance Asset Management (Mauritius) Limited (ceased w.e.f. July 13, 2017)
4	Reliance Capital Asset Management (UK) Limited (formerly Reliance Capital Asset Management (UK) Plc) (dissolved w.e.f. June 14,2016)
5	Reliance Capital Pension Fund Limited
6	Reliance AIF Management Company Limited (ceased w.e.f. July 13, 2017)
7	Reliance Capital Trustee Co. Limited
8	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited) (w.e.f. March 30, 2016)
9	Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)
10	Reliance Money Express Limited (ceased and merged with Reliance Securities Limited w.e.f. February 07, 2017)
11	Reliance Money Precious Metals Private Limited
12	Reliance Home Finance Limited
13	Reliance Securities Limited
14	Reliance Commodities Limited
15	Reliance Financial Limited
16	Reliance Wealth Management Limited
17	Reliance Money Solutions Private Limited
18	Reliance Exchangenext Limited
19	Reliance Corporate Advisory Services Limited (Formerly Reliance Spot Exchange Infrastructure Limited)
20	Reliance Health Insurance Limited (w.e.f. May 04, 2017)
21	Reliance Capital AIF Trustee Company Private Limited
22	Quant Capital Private Limited
23	Quant Broking Private Limited
24	Quant Securities Private Limited
25	Quant Investment Services Private Limited
26	Quant Institutional Equities Private Limited (Formerly Quant Commodity Broking Private Limited) (ceased w.e.f. August18, 2016)
27	Quant Capital Finance and Investments Private Limited (ceased w.e.f. July 07, 2016)
	List of other related parties under common control with whom transaction have taken place during the period.
28	Reliance Infratel Limited (ceased w.e.f. October 04, 2017)
29	Reliance Communications Limited (RCOM) (ceased w.e.f. October 04, 2017)
30	Reliance Realty Limited (Formerly known as Reliance Infocomm Infrastructure Limited) (ceased w.e.f. October 04, 2017)
31	Big Animation (India) Private Limited (ceased w.e.f. October 04, 2017)

32	Reliance Communications Infrastructure Limited (ceased to be w.e.f. October 04, 2017)
33	Zapak Digital Entertainment Limited (ceased to be w.e.f. October 04, 2017)
34	Reliance Telecom Limited (ceased to be w.e.f. October 04, 2017)
35	Big Flicks Private Limited (ceased to be w.e.f. October 04, 2017)
36	Reliance Big Broadcasting Private Limited (ceased to be w.e.f. October 04, 2017)
37	Reliance Big Entertainment Private Limited (ceased to be w.e.f. October 04, 2017)
38	Globalcom IDC Limited (Formerly known as Reliance IDC Limited) (ceased to be w.e.f. October 04, 2017)
39	Reliance BPO Private Limited (ceased to be w.e.f. October 04, 2017)
40	Reliance Globalcom Limited (ceased to be w.e.f. October 04, 2017)
41	Reliance Innoventures Private Limited (RIPL) (ceased to be w.e.f. October 04, 2017)
42	Reliance Tech Services Limited (ceased to be w.e.f. October 04, 2017)
43	Campion Properties Limited (ceased to be w.e.f. October 04, 2017)
44	Zapak Mobile Games Private Limited (ceased to be w.e.f. October 04, 2017)
45	Reliance Transport & Travels Private Limited (ceased to be w.e.f. October 04, 2017)
46	Reliance Asset Reconstruction Company Limited (ceased to be w.e.f. March 31, 2016)
Person Having Control	
Shri Anil D. Ambani (ceased to be w.e.f. October 04, 2017)	
Key managerial personnel	
Mr. Rakesh Jain (ED & CEO)	

* As certified by the management.

2. Transactions during the period with related parties:

(₹ in millions)

Sr. No	Name of the Related Party	Relationship	Nature of transaction	For the half year ended September 30, 2018	For the half year ended September 30, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
1	Reliance Capital Limited	Holding Company	Premium Received (net of refund)	17.10	7.54	9.34	79.52	27.66
			Claim Paid	-	-	0.30	0.33	0.01
			Interest Accrual on Debenture	89.01	105.60	202.87	236.99	229.89
			Management fees Paid	30.00	30.00	60.00	60.00	60.00
			Reimbursement paid for expenses(Rent, Communication, Electricity, Professional fees, Maintenance Charges)	-	0.23	0.23	49.64	12.34
			Reimbursement paid for IT services	22.75	13.22	38.34	42.20	33.49
			Reimbursement received for expenses (Rent, Communication, Electricity, Canteen expenses)	-	-	-	6.68	8.70
			Share Capital	-	-	-	900.00	-
			Redemption of debentures	200.00	350.00	600.00	-	-
			Outstanding balance in Customer Deposit A/c	2.11	2.90	2.71	3.32	17.67
			Debtors	-	9.80	-	-	-
			Creditors	16.20	-	2.30	2.42	2.87
			Dividend Paid	125.78	62.89	62.89	-	-
2	Reliance Nippon Life Asset Management Limited (formerly Reliance Capital Asset Management Limited) (ceased to be a related party w.e.f. July 13, 2017)	Fellow Subsidiary	Premium Received (net of refund)	-	-	25.58	22.60	12.90
			Claim Paid	-	-	-	0.00*	-
			Reimbursement received for expenses (Rent, Communication, Electricity, canteen expenses)	-	-	0.11	0.74	0.73
			Outstanding balance in Customer Deposit A/c	-	-	-	1.45	1.37
			Debtors	-	-	-	0.07	0.07
3	Reliance Home Finance Limited	Fellow Subsidiary	Premium Received (net of refund)	17.44	17.30	18.13	10.44	3.28
			Interest Accrual on Debenture	28.99	19.69	48.52	8.03	-
			Outstanding balance in Customer Deposit A/c	3.78	1.33	16.47	5.02	1.20
4	Reliance Money Express Limited (ceased and merged with Reliance Securities Limited w.e.f. February 07, 2017)	Fellow Subsidiary	Premium Received (net of refund)	-	-	-	0.01	0.65
			Foreign Currency Purchased	-	-	-	-	0.95
			Outstanding balance in Customer Deposit A/c	-	-	-	0.43	0.43
5	Reliance Securities Limited	Fellow Subsidiary	Premium Received (net of refund)	19.90	17.45	18.19	12.54	5.05
			Commission paid	4.47	0.06	4.29	2.77	-
			Brokerage paid for stock exchange trading	0.10	0.08	0.10	0.14	0.04
			Reimbursement received for expenses (Rent, Communication, Electricity, canteen expenses)	-	-	-	0.19	0.95
			Outstanding balance in Customer Deposit A/c	0.53	0.10	0.19	0.05	0.03
			Debtors	0.06	0.06	0.06	0.04	0.14
6	Reliance Corporate Advisory Services Limited (formerly Reliance Spot Exchange Infrastructure Limited)	Fellow Subsidiary	Outstanding balance in Customer Deposit A/c	-	0.02	-	0.02	0.02
7	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance	Fellow Subsidiary	Premium Received (net of refund)	73.04	75.27	79.28	75.58	72.99
			Group Term Insurance Paid	1.10	0.34	8.33	7.75	7.72

Sr. No	Name of the Related Party	Relationship	Nature of transaction	For the half year ended		For the year ended		
				September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
	Company Limited) (w.e.f. March 30, 2016)		Claim Paid	-	1.58	1.58	-	0.03
			Reimbursement received for expenses (Rent, Communication, Electricity, canteen expenses)	0.01	-	-	0.56	2.17
			Transaction of purchase of security	-	-	161.43	-	-
			Reimbursement Received for Membership Fees	-	-	-	1.50	-
			Debtors	0.84	0.91	0.91	0.91	0.26
			Outstanding balance in Customer Deposit A/c	0.06	4.49	24.40	30.39	1.36
8	Reliance Capital Trustee Co. Limited	Fellow Subsidiary	Premium Received (net of refund)	5.50	7.50	7.50	8.99	5.39
9	Reliance Wealth Management Limited	Fellow Subsidiary	Premium Received (net of refund)	1.71	1.56	1.67	0.88	0.56
			Outstanding balance in Customer Deposit A/c	0.12	0.01	0.01	0.00*	0.01
10	Reliance Money Solutions Private Limited	Fellow Subsidiary	Premium Received (net of refund)	0.18	0.18	0.18	0.19	2.11
			Insurance Commission Expense	-	-	-	0.03	88.87
			Outstanding balance in Customer Deposit A/c	0.00*	0.09	0.09	0.06	0.00*
			Creditors	-	-	-	-	0.73
			Debtors	-	-	0.00*	0.00*	-
11	Reliance Commodities Limited	Fellow Subsidiary	Premium Received (net of refund)	0.92	0.95	0.98	0.87	0.49
			Outstanding balance in Customer Deposit A/c	0.07	0.06	0.04	0.01	0.01
12	Reliance Money Precious Metals Private Limited	Fellow Subsidiary	Premium Received (net of refund)	-	-	-	0.01	0.15
			Outstanding balance in Customer Deposit A/c	-	-	-	-	0.13
13	Reliance Financial Limited	Fellow Subsidiary	Premium Received (net of refund)	0.37	0.37	0.37	0.32	0.22
			Outstanding balance in Customer Deposit A/c	0.01	0.05	0.05	0.01	0.09
14	Reliance Capital Pension Fund Limited	Fellow Subsidiary	Premium Received (net of refund)	0.12	0.11	0.11	0.05	0.04
			Outstanding balance in Customer Deposit A/c	0.10	0.06	0.06	0.02	0.07
15	Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)	Fellow Subsidiary	Premium Received (net of refund)	10.69	16.63	17.15	0.35	-
			Claims paid	0.00*	-	0.07	-	-
16	Reliance AIF Management Company Limited (ceased w.e.f. July 13, 2017)	Fellow Subsidiary	Premium Received (net of refund)	-	-	-	0.03	0.00*
17	Reliance Infratel Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	0.00*	0.01	0.01	0.02
18	Reliance Communications Limited (RCOM) (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	0.36	0.36	6.29	9.13
			Claim Paid	-	-	-	0.25	4.31
			Reimbursement paid for expenses (Rent, Internet & Telephone Expenses)	-	4.31	4.31	22.46	3.60
			Outstanding balance in Customer Deposit A/c	-	0.99	-	0.99	0.83
19	Reliance Realty Limited (Formerly known as Reliance Infocomm Infrastructure Limited) (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	-	-	0.02	0.03
			Claim Paid	-	-	-	-	0.00*
			Reimbursement paid for expenses(Rent, Communication, Electricity, Professional fees, Maintenance Charges)	-	3.12	-	12.26	12.26
			Creditors	-	-	-	-	12.82
20	Big Animation (India) Private Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	0.03	0.03	0.22	0.02

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA: Registration No. 103 Dated 23rd October 2000

Sr. No	Name of the Related Party	Relationship	Nature of transaction	For the half year ended		For the year ended		
				September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
21	Reliance Communications Infrastructure Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	-	-	-	0.03
			Claim Paid	-	-	-	-	0.01
			Payments towards information and technology services	-	-	-	-	0.67
			Reimbursement paid for expenses (Rent, Communication, Electricity, Professional fees, Maintenance Charges)	-	-	-	18.37	-
			Debtors	-	-	-	0.02	0.36
22	Zapak Digital Entertainment Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	0.18	0.18	0.21	0.09
			Reimbursement paid for expenses (Online Reputation Expenses)	-	0.39	0.39	1.01	-
			Outstanding balance in Customer Deposit A/c	-	-	-	0.21	0.21
23	Reliance Telecom Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Claim Paid	-	-	-	-	0.09
			Reimbursement paid for expenses (Telephone Expenses)	-	-	-	0.00*	0.01
			Outstanding balance in Customer Deposit A/c	-	0.80	-	0.80	0.80
24	Big Flicks Private Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	-	-	-	0.02
25	Reliance Big Broadcasting Private Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	-	-	-	0.18
			Reimbursement received for exps (Rent, Telephone, Electricity, Office Maintenance)	-	-	-	-	0.43
26	Reliance Big Entertainment Private Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	-	-	0.16	0.02
			Claim Paid	-	-	-	-	0.02
27	Globalcom IDC Limited (Formerly known as Reliance IDC Limited) (ceased to be w.e.f. October 04, 2017)	Common Control	Payment for IDC Charges	-	3.93	3.93	9.30	18.05
			Creditors	-	-	-	0.15	-
28	Reliance BPO Private Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Claim Paid	-	-	-	-	1.57
29	Reliance Globalcom Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Claim Paid	-	-	-	-	0.07
30	Reliance Innoventures Private Limited (RIPL) (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	-	-	1.84	3.80
31	Reliance Tech Services Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Claim Paid	-	-	-	-	0.43
32	Campion Properties Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	-	-	0.02	0.02
33	Zapak Mobile Games Private Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received (net of refund)	-	-	-	0.08	0.09
34	Reliance Transport & Travels Private Limited (ceased to be w.e.f. October 04, 2017)	Common Control	Premium Received(net of refund)	-	-	-	-	18.42
			Claim Paid	-	-	-	-	94.35
			Outstanding balance in Customer Deposit A/c	-	-	-	-	0.13
35	Reliance Asset Reconstruction Company	Common	Outstanding balance in Customer Deposit A/c	-	-	-	-	0.23

Sr. No	Name of the Related Party	Relationship	Nature of transaction	For the half year ended		For the year ended		
				September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
	Limited (ceased to be w.e.f. March 31, 2016)							
36	Reliance Health Insurance Limited (w.e.f May 04, 2017)	Fellow Subsidiary	Reimbursement received for expenses (Salary, Opex)	0.47	52.33	68.96	-	-
			Premium Received (net of refund	4.74	-	0.36	-	-
			Outstanding balance in Customer Deposit Account	0.05	-	0.29	-	-
			Sale of Fixed Assets	0.12	0.75	1.05	-	-
			Debtors	-	62.67	-	-	-
37	Mr. Rakesh Jain	Key Managerial Personnel (includes relatives of KMP's)	Premium Received (net of refund)	0.01	0.18	0.17	0.05	0.06
			Remuneration	13.70	33.70	47.40	42.40	38.40
38	Shri Anil D. Ambani (ceased to be w.e.f. October 04, 2017)	Person having control	Premium Received (net of refund)	-	-	0.19	0.02	0.02

* Amounts are negligible

Note -

a) Expenses incurred towards public utilities services such as telephone and electricity charges have not been considered for related party transactions.
b) Claim paid to employees against Group Medical Policies and Group Personal Accident Policies have not been considered for related party transactions.
c) Transaction amount considered above are excluding taxes.

36. **Segment Information**

a) Revenue and expenses have been identified to a segment on the basis of relationship to the operating activities of the segment. Revenue and expenses, which relate to enterprise as a whole and are not allocable to a segment on reasonable basis, have been disclosed as "Unallocable".

b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Refer Annexure VIII: Restated Statement of Segment Disclosure.

37. **Summary of Financial Results:**

(₹ in millions)

Particulars	FY 2017-18	FY 2016-17	FY 2015-16	FY 2014-15	FY 2013-14
Operating Results					
Gross Direct Premium	50,690.79	39,353.51	27,916.55	27,354.36	23,888.28
Net Earned Premium	28,556.60	20,890.56	19,994.52	19,420.20	17,470.47
Income From Investment	5,166.55	5,124.94	4,581.72	4,290.41	3,201.91
Other Income	6.89	5.52	13.68	14.51	(8.72)
Total Income	33,730.04	26,021.02	24,589.92	23,725.12	20,663.66
Commission (Net) including Brokerage	(575.73)	(1,690.84)	(250.37)	(207.20)	396.37
Operating Expenses	8,893.94	7,941.04	6,543.22	5,382.43	4,597.45
Net Incurred Claims (Including Premium Deficiency Reserve)	24,191.36	19,267.19	17,875.14	18,043.04	15,243.46
Change in unexpired risk reserve	(3,078.84)	(1,422.91)	(216.74)	186.81	(1,159.16)
Operating Profit/(Loss)	1,220.48	503.63	421.93	506.85	426.38
Non Operating Results					
Total Income under Shareholder's Account	896.49	1,004.81	765.00	848.72	695.20
Profit/(Loss) before tax	1,650.03	1,278.73	1,017.89	1,181.98	1,023.72
Provision for tax :					
Current Tax (including earlier year tax)	384.53	299.80	207.17	81.42	-
Deferred Tax	-	(8.55)	9.36	125.11	118.50
MAT Credit	(384.53)	(299.80)	(207.17)	(81.42)	-
Profit/(Loss) after tax	1,650.03	1,287.28	1,008.53	1,056.87	905.22
Miscellaneous					
Policyholders' Account					
Total Funds	68,397.80	56,308.34	46,171.57	42,512.93	32,060.15
Total Investments	68,397.80	56,308.34	46,171.57	42,512.93	32,060.15
Yield on Investments	8%	8%	9%	11%	9%
Shareholders' Account					
Total Funds	11,590.84	10,934.32	7,642.16	7,970.33	6,367.01
Total Investments	11,590.84	10,934.32	7,642.16	7,970.33	6,367.01
Yield on Investments	8%	8%	9%	11%	9%
Paid up Equity Capital	2,515.50	1,257.75	1,227.75	1,227.75	1,227.75

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA: Registration No. 103 Dated 23rd October 2000

Particulars	FY 2017-18	FY 2016-17	FY 2015-16	FY 2014-15	FY 2013-14
Net Worth*	14,051.15	12,476.81	11,189.53	10,181.00	8,224.13
Total Assets	93,472.61	76,763.29	62,948.48	56,676.11	49,033.72
Yield on total Investments	8%	8%	9%	11%	9%
Earnings Per Share (₹)**	6.56	5.12	4.11	4.30	3.69
Book Value Per Share (₹)***	55.86	49.60	43.96	40.00	33.49
Total Dividend	62.89	-	-	-	-
Dividend Per Share (₹)	0.50	-	-	-	-

Notes:

The above ratios have been calculated as per IRDAIMaster Circular IRDA/F&I/CIR/F&A/231/10/2012 dated October 5th, 2012 and Corrigendum on Master Circular IRDA/F&I/CIR/F&A/126/07/2013 dated July 3rd, 2013.

*Net Worth = Share Capital + Reserve & Surplus + Share Application Money Pending for Allotment– (Miscellaneous Expenditure + Debit Balance in Profit and Loss Account)

** The Board of Directors of the Company have approved issue of one bonus share for every one share held as on August 10, 2017. Pursuant to which the total number of equity shares have increased from 125,774,960 equity shares to 251,549,920 equity shares.
The numbers of weighted average shares and outstanding shares have been adjusted for issue of bonus shares in the ratio of 1:1 for the purpose of calculation of EPS and Book Value respectively.

***Considering the dilutive potential of the share application money at a value of ₹100 per share post bonus basis for FY 2014-15 & FY 2015-16.

38. **Issue of Bonus Shares:**

The Board of Directors at the meeting held on August 10, 2017 recommended issue of bonus shares, in the proportion of 1:1 i.e. 1 bonus equity share of Rs 10 each for every 1 fully paid-up equity shares, which is approved by the shareholder on August 10, 2017 . The record date for issue of bonus shares was August 10, 2017. Accordingly weighted average numbers of shares have been change for Earning per Share (EPS) computation.

39. **Earnings per share information:**

Particulars	For the half year ended		For the year ended		
	September 30, 2018	September 30, 2017	March 31, 2018	March 31, 2017	March 31, 2016
Profit/(Loss) available to equity shareholders(₹ in millions)	1,133.14	907.88	1,650.03	1,287.28	1,008.53
Weighted Average number of equity shares outstanding for Basic Earnings Per Share	251,549,920	251,549,920	251,549,920	251,549,920	245,549,920
Basic Earnings Per Share (₹)	4.50	3.61	6.56	5.12	4.11
Weighted Average number of equity shares outstanding for Diluted Earnings Per Share	251,945,112	NA	251,549,920	251,549,920	254,549,920
Diluted Earnings Per Share (₹)*	4.50	3.61	6.56	5.12	3.96

*Considering the dilutive potential of the share application money at a value of ₹100 per share post bonus basis for FY 2015-16.

40. **Details of Forward Contracts entered and outstanding are as follows:**

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
Forward Contracts	-	-	-	-	-

41. **Details of dividend distributed:**

(₹ in millions)

Particulars	**For the half year ended**		**For the year ended**		
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
Dividend per share (₹)	1.00	0.50	0.50	-	-
Cash outflows (incl. DDT) (₹ In millions)	151.63	75.69	75.69	-	-

42. **Pursuant to Insurance Regulatory and Development Authority of India circular no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 on Corporate Governance Guidelines, Details of additional work other than statutory audit are disclosed below:-**

(₹ in millions)

Particulars	**For the half year ended**		**For the year ended**		
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
Certification Work	0.35	0.34	0.52	0.76	0.73

43. The Company does not have any long term contracts including derivatives contracts wherein the Company is required to make provision towards any foreseeable losses.

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - VI: Statement of Adjustments to Audited Financial Statements

Summarized below are the restatement adjustments made to the audited financial statements as at half year ended September 30, 2018 & September 30, 2017 and as at year ended March 31st 2018, March 31st 2017 & March 31st 2016 and their Impact on the profits and net worth of the Company.

(₹ in millions)

Sl No.	Particulars	For the half year ended September 30, 2018	For the half year ended September 30, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
	Profit after tax as per audited financial statements	**1,133.13**	**907.88**	**1,650.03**	**1,303.44**	**990.82**
(A)	**Impact of adjustments due to change in accounting policy**					
(i)	Change in method of calculation of Premium Deficiency Reserve (Refer Note 1.1)	-	-	-	(25.79)	25.79
(ii)	Change in method of computing Reserve for Unexpired Risks (Refer Note 1.2)	-	-	-	1.08	(0.40)
(B)	**Impact of Material Adjustments**					
(i)	Premium income reversed in the respective underwriting year (Refer Note 2.1)	-	-	-	-	1.68
(C)	**Deferred Tax impact on (A) & (B) above (Refer Note 4)**	**-**	**-**	**-**	**8.55**	**(9.36)**
	Profit after tax as per restated financial information	**1,133.13**	**907.88**	**1,650.03**	**1,287.28**	**1,008.53**

Description of the adjustments carried out in the audited financial statements:

1 Changes in Accounting Policy

1.1 During the year ended March 31, 2017, the Company has changed the accounting policy of recognizing Premium Deficiency Reserve at a Company level as against the policy of calculating at segment level. The Company has made consequential adjustments appropriately in financial years ended March 31, 2017 and March 31, 2016.

1.2 As per the IRDAI regulations, the company has recognized Reserve for Unexpired Risk calculated on 1/365 method as compared to considering a minimum of 50% of the gross written premium on policies issued during the twelve months preceding the Balance Sheet date for fire, marine cargo and miscellaneous lines of business which was considered in respective financial years. The Company has made consequential adjustments appropriately in financial years ended March 31, 2017, March 31, 2016 and to the restated openiing balance of profit or loss account as on April 01, 2015.

2 Other material adjustments

In the financial statements for the half year ended September 30, 2018 and September 30, 2017 and for the years ended March 31, 2018, March 31, 2017 and March 31, 2016, certain items of income/expenses have been identified as adjustments pertaining to earlier years. These adjustments were recorded in the year in which they were identified. However, for the purpose of Restated Financial Information, such adjustments have been appropriately recorded in the respective years to which the transactions pertain. Adjustments related to financial years prior to year ended March 31, 2016 have been adjusted against the opening balance of the restated opening balance of profit or loss account as at April 01, 2015. The details of such adjustments are as under:

2.1 During the year ended March 31, 2016 and March 31, 2015, the Company has reversed premium income on account of directions received by IRDA to refund of premium in respect of certain policies together with interest thereon. The Company has made adjustments appropriately to the respective financial year ended March 31, 2016 and for adjustments related to financial years prior to that have been adjusted to the restated opening balance of profit or loss account as on April 01, 2015.

2.2 During the year ended March 31, 2018, March 31, 2017 and March 31, 2016, the Company has adjusted the impact of short provision of tax and MAT credit entitlement relating to FY 2016-17, FY 2015-16 and FY 2014-15 respectively. This has been appropriately adjusted to the respective years or to the restated opening balance of profit or loss account as on April 01, 2015.

2.3 In the restated financial information for the year ended March 31, 2017, the Company has created a Debenture Redemption Reserve (DRR) i.e. the year in which the debentures were issued. Consequently, the Restated Statement of Assets and Liabilities has been adjusted for ₹ 63.89 million. This restatement adjustment has no impact on the profits of the Company for any of the years.

2.4 During the year ended March 31, 2017 in line with revised regulations, the Company has revised its methodology of allocation and apportionment of investment income to policyholders and shareholders.The method of allocation and apportionment of investment income in the Restated Financial Information for the earlier financial years has been aligned as per the revised methodology. This revision does not have impact on the profits for the respective years.

2.5 During the year ended March 31, 2018 in line with revised regulations, the Company has revised its methodology of allocation and apportionment of expenses to business segments.The method of allocation and apportionment of expenses in the Restated Financial Information for the respective financial years has been aligned to the revised methodology. This revision has been made in the revenue account for the earlier years including in the segment represented therein, however it does not have impact on the profits for the respective years.

2.6 There are no audit qualification to audited financial statements

3 Material regrouping/reclassifications

3.1 Material regroupings/reclassifications has been made in the restated financial information to the corresponding items of income , expenses, assets, liabilities, receipts and payments in order to bring them in line with the groupings/classifications as per the audited financial statements of the Company as at and for the half year ended September 30, 2018.

3.2 Reclassification also includes any directions from IRDAI subsequent to Balance sheet date impacting the numbers stated for the reported period.

4 Tax impact on adjustments

The tax impact of all the adjustments above have been provided in the Deferred Tax Asset / (Liability) in the respective years.

5 **Reconciliation of Net worth:**

Particulars	As at September 30, 2018	As at September 30, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Net worth as at per audited financial statements	**15,032.65**	**13,309.00**	**14,051.15**	**12,476.81**	**11,173.37**	**10,182.55**
Adjustments for						
Change in method of calculation of Premium Deficiency Reserve (Refer Note 1.1)	-	-	-	-	25.79	-
Change in method of computing Reserve for Unexpired Risks (Refer Note 1.2)	-	-	-	-	(1.08)	(0.68)
Premium income reversed in the respective underwriting year (Refer Note 2.1)	-	-	-	-	-	(1.68)
Deferred Tax impact on restatement adjustments	-	-	-	-	(8.55)	0.81
Net worth as per Restated Financial Information	**15,032.65**	**13,309.00**	**14,051.15**	**12,476.81**	**11,189.53**	**10,181.00**

6 **Emphasis of Matter**

Financial Year – 2015-16

In the Independent Auditors report for the Financial year ended March 31,2016, the Auditors has stated that provision for claims outstanding towards Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER) and expected claim cost for Premium Deficiency Reserve creation as of March 31, 2016, has been certified by consulting actuary instead of appointed actuary as required by IRDAI Regulations. During the year 2016-17, the Company has appointed an Appointed Actuary and the Mentor to the Appointed Actuary as per the IRDAI Regulations.

Reliance General Insurance Company Limited Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000 Annexure - VII: Restated Statement of Accounting Ratios						
Sl No.	**Particulars**	**As on/ For the half year ended September 30, 2018**	**As on/ For the half year ended September 30, 2017**	**As on/ For the year ended March 31, 2018**	**As on/ For the year ended March 31, 2017**	**As on/ For the year ended March 31, 2016**
1	Restated Profit / (Loss) after Tax (₹ in millions)	1,133.13	907.88	1,650.03	1,287.28	1,008.53
2	Earnings before interest, tax, depreciation and amortisation (EBITDA) (₹ in millions)	1,339.31	1,097.54	2,034.67	1,590.12	1,297.40
3	Weighted average number of Equity Shares outstanding during the year/period (Refer note 1)	25,15,49,920	25,15,49,920	25,15,49,920	25,15,49,920	24,55,49,920
4	Number of Equity Shares outstanding at the end of the year/period	25,15,49,920	25,15,49,920	25,15,49,920	12,57,74,960	12,27,74,960
5	Net Worth (₹ in millions) (Refer note 2)	15,032.65	13,309.00	14,051.15	12,476.81	11,189.53
6	Basic Earnings per Share (₹)	4.50	3.61	6.56	5.12	4.11
	Diluted Earnings per Share (₹) (Refer note 4)	4.50	3.61	6.56	5.12	3.96
7	Net Asset Value Per Share (₹) (Refer note 4)	59.76	52.91	55.86	49.60	43.96
	Net Asset Value Per Share considering dilutive potential equity shares (₹) (Refer note 4)	59.67	52.91	55.86	49.60	43.96
8	Gross Direct Premium Growth Rate					
	Fire	17.3%	21.5%	21.8%	15.4%	36.8%
	Marine- Cargo	10.3%	29.5%	25.7%	6.8%	(0.5%)
	Marine- Others	(4.0%)	378.0%	102.9%	(38.5%)	112.8%
	Marine- Total	7.8%	48.4%	34.6%	(1.6%)	10.4%
	Motor-OD	18.1%	28.5%	25.9%	19.8%	4.8%
	Motor-TP	30.5%	20.3%	27.2%	16.8%	(2.1%)
	Motor- Total	24.5%	24.1%	26.6%	18.2%	1.1%
	Employer's Liability	26.5%	(2.1%)	9.3%	0.0%	17.6%
	Public/Product Liability	(56.5%)	(7.8%)	(3.3%)	17.2%	19.8%
	Engineering	(0.7%)	31.6%	28.0%	1.6%	(21.1%)
	Aviation	54.6%	19.3%	22.6%	20.5%	75.7%
	Personal Accident	95.3%	(19.1%)	(20.9%)	33.1%	(26.9%)
	Health Insurance	30.2%	170.5%	127.1%	(35.9%)	7.1%
	Crop / Weather Insurance	14.4%	(1.2%)	8.4%	867.3%	(29.0%)
	Others	5.8%	(31.0%)	(18.8%)	4.8%	(18.9%)
	Total - Miscellaneous	21.8%	27.1%	29.3%	44.5%	(0.7%)
	Total	21.2%	26.9%	28.8%	41.0%	2.1%
9	Gross Direct Premium to Net Worth Ratio (In Times)	2.37	2.21	3.61	3.15	2.49
10	Growth rate of Net Worth	7.0%	6.7%	12.6%	11.5%	9.9%
11	Net Retention Ratio					
	Fire	27.1%	24.4%	29.1%	23.4%	21.1%
	Marine- Cargo	11.0%	10.9%	9.6%	11.3%	66.3%
	Marine- Others	1.2%	1.1%	0.9%	1.4%	1.8%
	Marine- Total	9.5%	9.2%	8.1%	10.1%	54.7%
	Motor-OD	74.0%	78.9%	78.6%	79.0%	78.8%
	Motor-TP	74.7%	79.6%	79.6%	79.6%	79.7%
	Motor- Total	74.4%	79.3%	79.1%	79.3%	79.3%
	Employer's Liability	95.0%	95.0%	95.0%	95.0%	95.0%
	Public/Product Liability	52.0%	18.4%	27.8%	21.5%	18.3%
	Engineering	30.4%	27.3%	31.0%	34.3%	29.3%
	Aviation	0.6%	1.0%	1.4%	1.9%	2.1%
	Personal Accident	90.4%	87.7%	103.2%	90.3%	89.9%
	Health Insurance	89.0%	88.1%	85.0%	93.4%	93.7%
	Crop / Weather Insurance	21.3%	29.0%	25.9%	15.3%	21.3%
	Others	72.8%	73.9%	78.0%	54.7%	40.7%
	Total – Miscellaneous	62.0%	64.3%	65.4%	59.6%	77.1%
	Total	58.3%	60.0%	61.8%	55.7%	70.5%
12	Net Commission Ratio					
	Fire	(4.2%)	(10.8%)	(3.5%)	(30.2%)	(25.4%)
	Marine- Cargo	(37.9%)	(78.7%)	(77.3%)	(73.5%)	11.2%
	Marine- Others	(186.0%)	(97.7%)	99.2%	478.2%	(26.7%)
	Marine- Total	(40.7%)	(79.1%)	(74.0%)	(64.8%)	11.0%
	Motor-OD	13.8%	3.8%	9.3%	(1.2%)	(0.3%)
	Motor-TP	(1.8%)	(1.6%)	(1.3%)	(1.2%)	(1.2%)
	Motor- Total	5.3%	1.0%	3.8%	(1.2%)	(0.7%)
	Employer's Liability	13.6%	9.6%	10.9%	8.4%	9.0%
	Public/Product Liability	15.7%	(5.4%)	8.5%	(1.5%)	1.2%

Reliance General Insurance Company Limited						
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000						
Annexure - VII: Restated Statement of Accounting Ratios						
Sl No.	**Particulars**	**As on/ For the half year ended September 30, 2018**	**As on/ For the half year ended September 30, 2017**	**As on/ For the year ended March 31, 2018**	**As on/ For the year ended March 31, 2017**	**As on/ For the year ended March 31, 2016**
	Engineering	(21.0%)	10.4%	9.9%	(6.7%)	(22.9%)
	Aviation	(330.4%)	(539.4%)	(279.4%)	(207.0%)	(303.5%)
	Personal Accident	7.2%	8.3%	8.3%	6.1%	9.5%
	Health Insurance	0.3%	(3.2%)	(3.6%)	4.7%	2.3%
	Crop / Weather Insurance	(36.8%)	(23.5%)	(35.2%)	(83.1%)	(54.9%)
	Others	13.4%	1.9%	5.9%	3.8%	8.0%
	Total – Miscellaneous	(0.4%)	(3.4%)	(1.6%)	(6.5%)	(0.6%)
	Total	(0.7%)	(3.9%)	(1.8%)	(7.6%)	(1.2%)
13	Expense of Management to Gross Direct Premium Ratio	18.0%	19.7%	22.6%	23.2%	27.4%
14	Expense of Management to Net Written Premium Ratio	30.7%	32.6%	36.2%	40.9%	37.9%
15	Net Incurred Claims to Net Earned Premium	85.3%	83.8%	84.7%	92.2%	89.4%
16	Combined Ratio	106.0%	106.9%	111.0%	120.2%	120.5%
17	Technical Reserves to Net Premium Ratio	3.26	3.26	1.93	2.25	2.17
18	Underwriting balance Ratio (times)					
	Fire	(0.10)	(0.15)	(0.01)	(0.17)	0.07
	Marine	(2.51)	0.61	0.29	0.05	(0.80)
	Miscellaneous	(0.12)	(0.14)	(0.14)	(0.23)	(0.21)
	Total	(0.13)	(0.14)	(0.14)	(0.22)	(0.21)
19	Operating Profit Ratio	5.1%	4.2%	4.3%	2.4%	2.1%
20	Liquid Assets to liabilities Ratio	0.24	0.37	0.33	0.30	0.33
21	Net earnings Ratio	5.4%	5.1%	5.2%	5.8%	5.0%
22	Return on Net Worth Ratio (Refer note 5)	7.5%	6.8%	11.7%	10.3%	9.0%
23	Available Solvency margin to Required Solvency Margin Ratio	1.71	1.73	1.68	1.68	1.55
24	NPA Ratio					
	Gross NPA Ratio	-	-	-	-	-
	Net NPA Ratio	-	-	-	-	-
25	Debt-Equity Ratio	0.19	0.17	0.16	0.18	-
26	Debt Service Coverage Ratio	2.00	9.65	8.83	9.64	10.68
27	Interest Service Coverage Ratio	9.65	9.65	8.83	9.64	10.68

Note:

1. The Board of Directors of the Company have approved issue of one bonus share for every one share held as on August 10, 2017. Pursuant to which the total number of equity shares have increased from 125,774,960 equity shares to 251,549,920 equity shares.
The weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. The number of weighted average shares and outstanding shares have been adjusted for issue of bonus shares in the ratio of 1:1 for the purpose of calculation of EPS and Net Asset Value respectively.

2. For the purpose of net worth, Net Worth = Share Capital + Reserve & Surplus + Share Application Money – Miscellaneous Expenditure - Debit Balance in Profit and Loss Account

3. The above ratios have been calculated as per IRDAI Master Circular IRDA/F&I/CIR/F&A/231/10/2012 dated October 05, 2012 and Corrigendum on Master Circular IRDA/F&I/CIR/F&A/126/07/2013 dated July 3rd, 2013 / SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as applicable.

4. Net asset value and EPS has been calculated considering the dilutive potential of the share application money at a value of ₹ 100 per share on post bonus basis for FY16.

5. The ratios for the half year ended on September 30, 2018 and September 30, 2017 are not annnualised.

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000
Annexure VIII : Restated Statement of Segment Disclosure

(₹ in millions)

Particulars	Fire	Marine Cargo	Marine Hull	Motor OD	Motor TP	Motor	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Total Enterprise
Segment Revenues															
Net Premium Earned															
Half year ended September 30, 2018	447.01	27.06	0.75	4,817.71	5,362.80	10,180.51	52.33	42.36	110.17	0.54	147.41	3,748.83	1,001.17	145.86	15,904.00
Half year ended September 30, 2017	362.05	24.77	0.21	4,000.89	4,190.41	8,191.30	43.53	34.28	97.45	0.66	130.03	3,174.24	1,557.08	132.51	13,748.11
2017-18	768.40	53.59	0.55	8,429.48	8,925.74	17,355.22	90.21	88.54	202.52	1.19	300.94	6,410.63	2,992.58	292.24	28,556.61
2016-17	632.68	176.62	1.65	6,911.85	7,592.92	14,504.77	89.57	73.46	187.25	1.11	333.69	2,999.42	1,682.81	207.53	20,890.56
2015-16	560.43	266.90	0.99	6,060.36	6,902.12	12,962.48	86.01	52.32	167.04	0.98	355.91	5,139.85	232.97	168.64	19,994.52
Investment income															
Half year ended September 30, 2018	99.47	10.62	0.23	284.42	1,991.73	2,276.15	9.81	9.24	15.23	0.12	23.77	222.16	120.10	18.97	2,805.87
Half year ended September 30, 2017	80.06	11.41	0.10	242.68	1,806.94	2,049.62	7.79	7.52	14.66	0.12	23.64	155.93	87.93	21.03	2,459.81
2017-18	167.96	21.26	0.31	523.69	3,862.84	4,386.53	17.38	15.91	27.11	0.28	48.16	262.14	178.03	41.48	5,166.55
2016-17	142.62	36.29	0.21	522.76	3,927.44	4,450.20	13.85	13.20	32.47	0.32	50.98	257.35	80.86	46.59	5,124.94
2015-16	104.18	40.06	0.24	495.61	3,520.16	4,015.77	9.02	9.30	34.66	0.28	44.45	256.28	25.58	41.90	4,581.72
Misc Income															
Half year ended September 30, 2018	-	-	-	1.20	-	1.20	-	-	-	-	-	-	-	1.87	3.07
Half year ended September 30, 2017	(0.01)	(0.04)	(0.01)	1.07	-	1.07	-	0.01	0.03	(0.17)	0.03	-	-	1.23	2.14
2017-18	0.05	(0.04)	(0.01)	2.23	-	2.23	-	(0.84)	0.03	(0.16)	0.21	0.02	-	5.40	6.87
2016-17	(0.13)	0.14	0.13	2.13	-	2.13	-	1.74	0.03	(0.14)	-	-	-	1.62	5.52
2015-16	0.35	0.02	0.04	2.77	-	2.77	-	-	(0.01)	0.06	0.01	0.04	-	10.40	13.67
Total															
Half year ended September 30, 2018	546.48	37.68	0.98	5,103.33	7,354.53	12,457.86	62.14	51.60	125.40	0.66	171.18	3,970.99	1,121.27	166.70	18,712.94
Half year ended September 30, 2017	442.10	36.14	0.30	4,244.64	5,997.35	10,241.99	51.32	41.81	112.14	0.61	153.70	3,330.17	1,645.01	154.77	16,210.06
2017-18	936.41	74.81	0.85	8,955.40	12,788.58	21,743.98	107.59	103.61	229.66	1.31	349.31	6,672.79	3,170.61	339.12	33,730.05
2016-17	775.17	213.05	1.99	7,436.74	11,520.36	18,957.10	103.42	88.40	219.75	1.29	384.67	3,256.77	1,763.67	255.74	26,021.02
2015-16	664.96	306.98	1.27	6,558.74	10,422.28	16,981.02	95.03	61.62	201.69	1.32	400.37	5,396.17	258.55	220.94	24,589.92
Segment Expenses															
Claims															
Half year ended September 30, 2018	312.14	105.37	(0.75)	3,447.06	4,923.51	8,370.57	36.62	12.38	142.00	(0.50)	61.92	3,781.03	703.31	35.45	13,559.54
Half year ended September 30, 2017	295.40	29.55	1.76	2,291.41	4,206.56	6,497.97	28.91	16.98	120.82	(0.20)	72.72	3,291.54	1,132.83	28.63	11,516.91
2017-18	471.53	58.31	4.47	4,983.03	9,155.65	14,138.68	78.12	49.54	133.52	0.18	272.10	6,878.74	2,059.64	46.53	24,191.36
2016-17	677.04	184.40	(0.37)	3,802.20	9,454.25	13,256.45	100.33	49.25	65.35	0.10	547.53	2,735.38	1,583.40	68.33	19,267.19
2015-16	362.68	313.60	0.65	3,459.15	7,856.48	11,315.63	39.98	19.08	103.91	0.42	351.89	4,916.03	363.00	88.27	17,875.14
Commission															
Half year ended September 30, 2018	(34.70)	(18.48)	(1.74)	684.75	(103.55)	581.20	8.31	10.68	(24.24)	(1.17)	22.47	17.46	(724.57)	20.88	(143.90)
Half year ended September 30, 2017	(66.58)	(33.78)	(0.86)	171.83	(76.31)	95.52	4.65	(3.08)	11.57	(2.14)	12.79	(158.76)	(549.75)	2.83	(687.59)
2017-18	(41.67)	(41.62)	1.03	865.70	(123.57)	742.13	10.66	8.74	22.88	(3.17)	24.79	(242.47)	(1,074.49)	17.46	(575.73)
2016-17	(256.04)	(37.25)	3.88	(87.84)	(98.74)	(186.58)	7.47	(1.19)	(13.67)	(2.57)	20.36	151.21	(1,386.26)	9.80	(1,690.84)
2015-16	(171.43)	32.22	(0.44)	(15.70)	(83.30)	(99.00)	8.04	0.70	(40.29)	(3.55)	24.08	116.36	(131.58)	14.52	(250.37)
Premium Deficiency															

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000
Annexure VIII : Restated Statement of Segment Disclosure

(₹ in millions)

Particulars	Fire	Marine Cargo	Marine Hull	Motor OD	Motor TP	Motor	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Total Enterprise
Half year ended September 30, 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half year ended September 30, 2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Management Expenses															
Half year ended September 30, 2018	215.38	12.73	0.50	1,060.91	1,254.93	2,315.84	15.63	17.65	30.35	0.14	94.40	1,150.16	589.39	40.13	4,482.30
Half year ended September 30, 2017	188.29	12.42	0.50	1,455.77	1,557.57	3,013.34	13.98	16.96	34.01	0.11	40.56	907.90	534.51	43.64	4,806.22
2017-18	346.88	15.50	0.90	2,830.80	3,078.50	5,909.30	27.29	29.20	67.73	0.36	72.63	1,229.10	1,111.45	83.60	8,893.94
2016-17	318.19	18.28	0.48	2,700.79	2,887.61	5,588.40	31.52	29.34	74.61	0.52	98.98	921.07	769.26	90.39	7,941.04
2015-16	327.77	135.31	0.97	2,010.67	2,232.49	4,243.16	42.52	26.49	84.16	0.63	90.60	1,355.50	150.32	85.79	6,543.22
Total															
Half year ended September 30, 2018	492.82	99.62	(1.99)	5,192.72	6,074.89	11,267.61	60.56	40.71	148.11	(1.53)	178.79	4,948.65	568.13	96.46	17,897.94
Half year ended September 30, 2017	417.11	8.19	1.40	3,919.01	5,687.82	9,606.83	47.54	30.86	166.40	(2.23)	126.07	4,040.68	1,117.59	75.10	15,635.54
2017-18	776.74	32.19	6.40	8,679.53	12,110.58	20,790.11	116.07	87.48	224.13	(2.63)	369.52	7,865.37	2,096.60	147.59	32,509.57
2016-17	739.19	165.43	3.99	6,415.15	12,243.12	18,658.27	139.32	77.40	126.29	(1.95)	666.87	3,807.66	966.40	168.52	25,517.39
2015-16	519.02	481.13	1.18	5,454.12	10,005.67	15,459.79	90.54	46.27	147.78	(2.50)	466.57	6,387.89	381.74	188.58	24,167.99
Operating Profit/loss															
Half year ended September 30, 2018	53.66	(61.94)	2.97	(89.39)	1,279.64	1,190.25	1.58	10.89	(22.71)	2.19	(7.61)	(977.66)	553.14	70.24	815.00
Half year ended September 30, 2017	24.99	27.95	(1.10)	325.63	309.53	635.16	3.78	10.95	(54.26)	2.84	27.63	(710.51)	527.42	79.67	574.52
2017-18	159.67	42.62	(5.55)	275.87	678.00	953.87	(8.48)	16.13	5.53	3.94	(20.21)	(1,192.58)	1,074.01	191.53	1,220.48
2016-17	35.98	47.62	(2.00)	1,021.59	(722.76)	298.83	(35.90)	11.00	93.46	3.24	(282.20)	(550.89)	797.27	87.22	503.63
2015-16	145.94	(174.15)	0.09	1,104.62	416.61	1,521.23	4.49	15.35	53.91	3.82	(66.20)	(991.72)	(123.19)	32.36	421.93
Unallocated items															
Investment income															
Half year ended September 30, 2018															529.70
Half year ended September 30, 2017															564.62
2017-18															875.54
2016-17															995.19
2015-16															758.36
(Provision)/ Other income															
Half year ended September 30, 2018															14.64
Half year ended September 30, 2017															4.33
2017-18															20.95
2016-17															9.62
2015-16															6.64
Expenses															
Half year ended September 30, 2018															226.21
Half year ended September 30, 2017															235.59
2017-18															466.94
2016-17															229.71
2015-16															169.04

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000
Annexure VIII : Restated Statement of Segment Disclosure

(₹ in millions)

Particulars	Fire	Marine Cargo	Marine Hull	Motor OD	Motor TP	Motor	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Total Enterprise
Net Profit before tax															
Half year ended September 30, 2018															1,133.13
Half year ended September 30, 2017															907.88
2017-18															1,650.03
2016-17															1,278.73
2015-16															1,017.89
Income tax including DT															
Half year ended September 30, 2018															196.50
Half year ended September 30, 2017															188.33
2017-18															384.53
2016-17															291.25
2015-16															216.53
MAT Credit															
Half year ended September 30, 2018															(196.50)
Half year ended September 30, 2017															(188.33)
2017-18															(384.53)
2016-17															(299.80)
2015-16															(207.17)
Net profit after tax															
Half year ended September 30, 2018															1,133.13
Half year ended September 30, 2017															907.88
2017-18															1,650.03
2016-17															1,287.28
2015-16															1,008.53
Assets															
Segment Assets															
Half year ended September 30, 2018															-
Half year ended September 30, 2017															-
2017-18															-
2016-17															-
2015-16															-
Unallocated Assets															
Policyholder Fund															
Half year ended September 30, 2018															84,179.68
Half year ended September 30, 2017															69,292.89
2017-18															73,277.60
2016-17															59,073.67
2015-16															48,797.96
Shareholders Fund															
Half year ended September 30, 2018															21,504.36

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000
Annexure VIII : Restated Statement of Segment Disclosure

(₹ in millions)

Particulars	Fire	Marine Cargo	Marine Hull	Motor OD	Motor TP	Motor	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Total Enterprise
Half year ended September 30, 2017															19,788.00
2017-18															20,195.01
2016-17															17,689.62
2015-16															14,150.52
Total															
Half year ended September 30, 2018															1,05,684.04
Half year ended September 30, 2017															89,080.89
2017-18															93,472.61
2016-17															76,763.29
2015-16															62,948.48
Liabilities															
Segment Liabilities															
Half year ended September 30, 2018	2,553.03	283.71	5.03	7,237.45	47,553.97	54,791.42	239.69	231.02	403.44	2.37	763.33	6,838.81	2,952.98	436.75	69,501.58
Half year ended September 30, 2017	1,945.29	251.60	3.49	5,889.58	41,164.67	47,054.25	181.90	183.84	362.19	2.46	556.93	4,728.28	2,623.87	471.42	58,365.52
2017-18	2,031.71	209.03	5.62	6,493.75	45,048.91	51,542.66	214.05	195.64	301.32	3.06	625.08	3,509.11	2,589.69	440.08	61,667.06
2016-17	1,581.61	251.89	1.06	5,006.41	38,452.61	43,459.02	161.63	147.30	283.82	2.98	588.74	2,239.36	1,245.93	454.01	50,417.35
2015-16	1,038.69	422.08	2.79	4,693.63	33,738.23	38,431.86	93.98	95.95	313.25	2.82	395.29	2,561.19	238.86	401.65	43,998.41
Unallocated Liabilities															
Policyholder Fund															
Half year ended September 30, 2018															14,707.88
Half year ended September 30, 2017															11,002.38
2017-18															11,634.97
2016-17															9,036.04
2015-16															4,824.85
Shareholders Fund															
Half year ended September 30, 2018															21,474.58
Half year ended September 30, 2017															19,712.99
2017-18															20,170.58
2016-17															17,309.90
2015-16															14,125.22
Total															
Half year ended September 30, 2018															1,05,684.04
Half year ended September 30, 2017															89,080.89
2017-18															93,472.61
2016-17															76,763.29
2015-16															62,948.48

Note :

1. Segment Reporting is made as per the modification prescribed by the Insurance Regulatory and Development Authority Regulations wherein details are to be given for fire, marine cargo, marine hull and eight classes of miscellaneous insurance

2. Since the company's entire business is conducted within India, there are no reportable geographical segments for the Period.

Reliance General Insurance Company Limited							
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000							
Annexure IX : Restated Statement of Premium							
							(₹ in millions)
Particulars	**Financial year**	**Premium from direct business written**	**Premium on reinsurance accepted**	**Premium on reinsurance ceded**	**Net Premium (3+4-5)**	**Change in reserve for unexpired risks**	**Net Premium Earned (6+7)**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
Fire	H1 2018-19	2,778.59	242.61	2,202.21	818.99	(371.98)	447.01
	H1 2017-18	2,369.43	153.23	1,907.12	615.54	(253.49)	362.05
	2017-18	3,641.77	457.70	2,908.11	1,191.36	(422.96)	768.40
	2016-17	2,989.13	641.45	2,782.31	848.27	(215.59)	632.68
	2015-16	2,590.77	604.13	2,521.21	673.69	(113.26)	560.43
Marine Cargo	H1 2018-19	431.66	12.18	395.05	48.79	(21.73)	27.06
	H1 2017-18	391.45	4.03	352.56	42.92	(18.15)	24.77
	2017-18	555.36	6.46	507.98	53.84	(0.25)	53.59
	2016-17	441.96	8.00	399.25	50.71	125.91	176.62
	2015-16	413.67	18.87	145.79	286.75	(19.85)	266.90
Marine Hull	H1 2018-19	79.29	-	78.36	0.93	(0.18)	0.75
	H1 2017-18	82.63	-	81.75	0.88	(0.67)	0.21
	2017-18	117.61	-	116.57	1.04	(0.49)	0.55
	2016-17	57.97	-	57.16	0.81	0.84	1.65
	2015-16	94.24	-	92.59	1.65	(0.66)	0.99
Marine Total	**H1 2018-19**	**510.95**	**12.18**	**473.41**	**49.72**	**(21.91)**	**27.81**
	H1 2017-18	**474.08**	**4.03**	**434.31**	**43.80**	**(18.82)**	**24.98**
	2017-18	**672.97**	**6.46**	**624.55**	**54.88**	**(0.74)**	**54.14**
	2016-17	**499.93**	**8.00**	**456.41**	**51.52**	**126.75**	**178.27**
	2015-16	**507.91**	**18.87**	**238.38**	**288.40**	**(20.51)**	**267.89**
Motor OD	H1 2018-19	6,729.81	-	1,751.40	4,978.41	(160.70)	4,817.71
	H1 2017-18	5,697.62	-	1,202.58	4,495.04	(494.15)	4,000.89
	2017-18	11,983.84	-	2,565.60	9,418.24	(988.76)	8,429.48
	2016-17	9,518.16	-	1,998.73	7,519.43	(607.58)	6,911.85
	2015-16	7,947.72	-	1,686.37	6,261.35	(200.99)	6,060.36
Motor TP	H1 2018-19	7,881.84	-	1,992.97	5,888.87	(526.07)	5,362.80
	H1 2017-18	6,041.53	-	1,232.22	4,809.31	(618.90)	4,190.41
	2017-18	12,861.03	-	2,618.64	10,242.39	(1,316.65)	8,925.74
	2016-17	10,108.36	(11.17)	2,057.74	8,039.45	(446.53)	7,592.92
	2015-16	8,657.53	63.80	1,769.20	6,952.13	(50.01)	6,902.12
Motor Total	**H1 2018-19**	**14,611.65**	**-**	**3,744.37**	**10,867.28**	**(686.77)**	**10,180.51**
	H1 2017-18	**11,739.15**	**-**	**2,434.80**	**9,304.35**	**(1,113.05)**	**8,191.30**
	2017-18	**24,844.87**	**-**	**5,184.24**	**19,660.63**	**(2,305.41)**	**17,355.22**
	2016-17	**19,626.52**	**(11.17)**	**4,056.47**	**15,558.88**	**(1,054.11)**	**14,504.77**
	2015-16	**16,605.25**	**63.80**	**3,455.57**	**13,213.48**	**(251.00)**	**12,962.48**
Employer's Liability	H1 2018-19	64.25	-	3.21	61.04	(8.71)	52.33
	H1 2017-18	50.81	-	2.54	48.27	(4.74)	43.53
	2017-18	102.73	-	5.14	97.59	(7.38)	90.21
	2016-17	93.96	-	4.70	89.26	0.31	89.57
	2015-16	93.95	-	4.70	89.25	(3.24)	86.01
Public Liability	H1 2018-19	128.70	1.88	62.72	67.86	(25.50)	42.36
	H1 2017-18	295.87	13.33	252.36	56.84	(22.56)	34.28
	2017-18	354.66	13.60	265.73	102.53	(13.99)	88.54
	2016-17	366.82	13.84	298.91	81.75	(8.29)	73.46
	2015-16	312.92	0.11	255.67	57.36	(5.04)	52.32
Engineering	H1 2018-19	367.66	12.33	264.47	115.52	(5.35)	110.17
	H1 2017-18	370.22	35.17	294.58	110.81	(13.36)	97.45
	2017-18	691.95	54.56	515.22	231.29	(28.77)	202.52
	2016-17	540.53	53.17	390.31	203.39	(16.14)	187.25
	2015-16	531.95	66.65	422.99	175.61	(8.57)	167.04
Aviation	H1 2018-19	60.29	-	59.94	0.35	0.19	0.54
	H1 2017-18	38.99	-	38.59	0.40	0.26	0.66
	2017-18	80.69	-	79.55	1.14	0.05	1.19

Reliance General Insurance Company Limited							
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000							
Annexure IX : Restated Statement of Premium							
							(₹ in millions)
Particulars	**Financial year**	**Premium from direct business written**	**Premium on reinsurance accepted**	**Premium on reinsurance ceded**	**Net Premium (3+4-5)**	**Change in reserve for unexpired risks**	**Net Premium Earned (6+7)**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
	2016-17	65.79	-	64.55	1.24	(0.13)	1.11
	2015-16	54.61	-	53.44	1.17	(0.19)	0.98
Personal Accident	H1 2018-19	345.18	-	33.06	312.12	(164.71)	147.41
	H1 2017-18	176.74	-	21.69	155.05	(25.02)	130.03
	2017-18	289.34	-	(9.16)	298.50	2.44	300.94
	2016-17	365.62	6.75	36.26	336.11	(2.42)	333.69
	2015-16	274.75	6.43	28.31	252.87	103.04	355.91
Health	H1 2018-19	7,354.58	-	806.14	6,548.44	(2,799.61)	3,748.83
	H1 2017-18	5,646.87	0.03	669.40	4,977.50	(1,803.26)	3,174.24
	2017-18	7,820.84	0.03	1,173.73	6,647.14	(236.51)	6,410.63
	2016-17	3,443.30	4.94	229.22	3,219.02	(219.60)	2,999.42
	2015-16	5,371.85	3.88	337.87	5,037.86	101.99	5,139.85
Weather and Crop Insurance	H1 2018-19	9,253.36	-	7,286.97	1,966.39	(965.22)	1,001.17
	H1 2017-18	8,088.10	-	5,746.26	2,341.84	(784.76)	1,557.08
	2017-18	11,811.42	-	8,756.97	3,054.45	(61.87)	2,992.58
	2016-17	10,894.35	-	9,226.14	1,668.21	14.60	1,682.81
	2015-16	1,126.25	-	886.66	239.59	(6.62)	232.97
Other Misc.	H1 2018-19	214.61	-	58.43	156.18	(10.32)	145.86
	H1 2017-18	202.88	0.01	52.85	150.04	(17.53)	132.51
	2017-18	379.55	-	83.61	295.94	(3.70)	292.24
	2016-17	467.56	0.45	212.19	255.82	(48.29)	207.53
	2015-16	446.34	0.31	264.67	181.98	(13.34)	168.64
Misc Total	**H1 2018-19**	**32,400.28**	**14.21**	**12,319.31**	**20,095.18**	**(4,666.00)**	**15,429.18**
	H1 2017-18	**26,609.63**	**48.54**	**9,513.07**	**17,145.10**	**(3,784.02)**	**13,361.08**
	2017-18	**46,376.05**	**68.19**	**16,055.03**	**30,389.21**	**(2,655.14)**	**27,734.07**
	2016-17	**35,864.45**	**67.98**	**14,518.75**	**21,413.68**	**(1,334.07)**	**20,079.61**
	2015-16	**24,817.87**	**141.18**	**5,709.88**	**19,249.17**	**(82.97)**	**19,166.20**
Total	**H1 2018-19**	**35,689.82**	**269.00**	**14,994.93**	**20,963.89**	**(5,059.89)**	**15,904.00**
	H1 2017-18	**29,453.14**	**205.80**	**11,854.50**	**17,804.44**	**(4,056.33)**	**13,748.11**
	2017-18	**50,690.79**	**532.35**	**19,587.69**	**31,635.45**	**(3,078.84)**	**28,556.61**
	2016-17	**39,353.51**	**717.43**	**17,757.47**	**22,313.47**	**(1,422.91)**	**20,890.56**
	2015-16	**27,916.55**	**764.18**	**8,469.47**	**20,211.26**	**(216.74)**	**19,994.52**

Reliance General Insurance Company Limited								
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000								
Annexure X : Restated Statement of Claims								
								(₹ in millions)
Particulars	**Financial year**	**Claims Paid from direct business written**	**Claims Paid on reinsurance accepted**	**Claims Recovered on reinsurance ceded**	**Net Claims Paid (3+4-5)**	**Out-standing Claims at the end of the Period**	**Out-standing Claims at the beginning of the Period**	**Net Claims Incurred (6+7-8)**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
Fire	H1 2018-19	740.22	24.98	595.60	169.60	1,022.21	879.67	312.14
	H1 2017-18	1,201.18	3.62	1,018.31	186.49	954.05	845.14	295.40
	2017-18	2,968.76	44.85	2,576.61	437.00	879.67	845.14	471.53
	2016-17	1,614.39	56.49	1,320.56	350.32	845.14	518.42	677.04
	2015-16	1,242.06	78.40	993.94	326.52	518.42	482.26	362.68
Marine Cargo	H1 2018-19	218.49	-	168.29	50.20	252.25	197.08	105.37
	H1 2017-18	282.45	-	234.17	48.28	223.45	242.18	29.55
	2017-18	563.37	3.24	463.20	103.41	197.08	242.18	58.31
	2016-17	391.40	6.79	176.10	222.09	242.18	279.87	184.40
	2015-16	490.97	11.41	257.87	244.51	279.87	210.78	313.60
Marine Hull	H1 2018-19	0.14	-	0.13	0.01	3.48	4.24	(0.75)
	H1 2017-18	0.04	-	0.04	-	1.93	0.17	1.76
	2017-18	34.55	-	34.15	0.40	4.24	0.17	4.47
	2016-17	36.68	-	36.15	0.53	0.17	1.07	(0.37)
	2015-16	17.08	-	16.85	0.23	1.07	0.65	0.65
Marine Total	**H1 2018-19**	**218.63**	**-**	**168.42**	**50.21**	**255.73**	**201.32**	**104.62**
	H1 2017-18	**282.49**	**-**	**234.21**	**48.28**	**225.38**	**242.35**	**31.31**
	2017-18	**597.92**	**3.24**	**497.35**	**103.81**	**201.32**	**242.35**	**62.78**
	2016-17	**428.08**	**6.79**	**212.25**	**222.62**	**242.35**	**280.94**	**184.03**
	2015-16	**508.05**	**11.41**	**274.72**	**244.74**	**280.94**	**211.43**	**314.25**
Motor OD	H1 2018-19	3,942.24	-	840.36	3,101.88	1,518.47	1,173.29	3,447.06
	H1 2017-18	2,484.82	-	483.99	2,000.83	1,247.96	957.38	2,291.41
	2017-18	6,028.80	-	1,261.68	4,767.12	1,173.29	957.38	4,983.03
	2016-17	5,219.04	-	1,112.01	4,107.03	957.38	1,262.21	3,802.20
	2015-16	4,569.95	-	1,039.49	3,530.46	1,262.21	1,333.52	3,459.15
Motor TP	H1 2018-19	3,341.09	-	919.49	2,421.60	36,273.82	33,771.91	4,923.51
	H1 2017-18	3,490.10	-	780.52	2,709.58	30,540.07	29,043.09	4,206.56
	2017-18	6,830.48	-	2,403.65	4,426.83	33,771.91	29,043.09	9,155.65
	2016-17	6,784.79	22.27	3,621.99	3,185.07	29,043.09	22,773.91	9,454.25
	2015-16	5,889.60	54.50	360.04	5,584.06	22,773.91	20,501.49	7,856.48
Motor Total	**H1 2018-19**	**7,283.33**	**-**	**1,759.85**	**5,523.48**	**37,792.29**	**34,945.20**	**8,370.57**
	H1 2017-18	**5,974.92**	**-**	**1,264.51**	**4,710.41**	**31,788.03**	**30,000.47**	**6,497.97**
	2017-18	**12,859.28**	**-**	**3,665.33**	**9,193.95**	**34,945.20**	**30,000.47**	**14,138.68**
	2016-17	**12,003.83**	**22.27**	**4,734.00**	**7,292.10**	**30,000.47**	**24,036.12**	**13,256.45**
	2015-16	**10,459.55**	**54.50**	**1,399.53**	**9,114.52**	**24,036.12**	**21,835.01**	**11,315.63**
Employer's Liability	H1 2018-19	20.13	-	1.04	19.09	187.40	169.87	36.62
	H1 2017-18	13.92	-	0.74	13.18	141.01	125.28	28.91
	2017-18	35.82	-	2.29	33.53	169.87	125.28	78.12
	2016-17	33.99	-	1.99	32.00	125.28	56.95	100.33
	2015-16	25.59	-	1.92	23.67	56.95	40.64	39.98
Public Liability	H1 2018-19	2.68	-	0.15	2.53	148.46	138.61	12.38
	H1 2017-18	3.19	-	0.23	2.96	118.33	104.31	16.98
	2017-18	16.17	-	0.93	15.24	138.61	104.31	49.54
	2016-17	6.12	-	0.70	5.42	104.31	60.48	49.25
	2015-16	6.71	-	0.89	5.82	60.48	47.22	19.08
Engineering	H1 2018-19	92.44	0.73	48.02	45.15	257.08	160.23	142.00
	H1 2017-18	109.92	0.37	53.78	56.51	236.85	172.54	120.82
	2017-18	529.76	5.28	389.21	145.83	160.23	172.54	133.52
	2016-17	280.52	10.42	180.70	110.24	172.54	217.43	65.35
	2015-16	641.31	15.57	528.30	128.58	217.43	242.10	103.91
Aviation	H1 2018-19	1.74	-	1.74	-	2.05	2.55	(0.50)
	H1 2017-18	11.69	-	11.62	0.07	2.16	2.43	(0.20)
	2017-18	11.72	-	11.66	0.06	2.55	2.43	0.18
	2016-17	57.25	-	57.18	0.07	2.43	2.40	0.10

Reliance General Insurance Company Limited

Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure X : Restated Statement of Claims

(₹ in millions)

Particulars	Financial year	Claims Paid from direct business written	Claims Paid on reinsurance accepted	Claims Recovered on reinsurance ceded	Net Claims Paid (3+4-5)	Out-standing Claims at the end of the Period	Out-standing Claims at the beginning of the Period	Net Claims Incurred (6+7-8)
1	2	3	4	5	6	7	8	9
	2015-16	98.04	-	97.90	0.14	2.40	2.12	0.42
Personal Accident	H1 2018-19	104.26	-	23.24	81.02	349.98	369.08	61.92
	H1 2017-18	230.27	-	49.32	180.95	344.52	452.75	72.72
	2017-18	368.57	-	12.80	355.77	369.08	452.75	272.10
	2016-17	519.98	3.76	161.44	362.30	452.75	267.52	547.53
	2015-16	433.99	10.22	121.49	322.72	267.52	238.35	351.89
Health	H1 2018-19	3,528.28	-	289.13	3,239.15	2,607.65	2,065.77	3,781.03
	H1 2017-18	2,741.10	-	134.90	2,606.20	1,719.20	1,033.86	3,291.54
	2017-18	6,150.83	-	304.00	5,846.83	2,065.77	1,033.86	6,878.74
	2016-17	3,495.27	2.06	197.20	3,300.13	1,033.87	1,598.62	2,735.38
	2015-16	4,791.98	-	307.88	4,484.10	1,598.62	1,166.69	4,916.03
Weather and Crop Insurance	H1 2018-19	5,932.98	-	4,627.73	1,305.25	1,919.63	2,521.57	703.31
	H1 2017-18	2,691.85	-	2,152.20	539.65	1,832.86	1,239.68	1,132.83
	2017-18	3,859.97	-	3,082.22	777.75	2,521.57	1,239.68	2,059.64
	2016-17	3,265.29	-	2,703.55	561.74	1,239.68	218.02	1,583.40
	2015-16	1,695.18	-	1,330.20	364.98	218.02	220.00	363.00
Other Misc.	H1 2018-19	54.46	-	5.22	49.24	139.96	153.75	35.45
	H1 2017-18	33.02	-	4.21	28.81	171.34	171.52	28.63
	2017-18	73.05	-	8.76	64.29	153.75	171.51	46.53
	2016-17	598.54	-	534.43	64.11	171.51	167.29	68.33
	2015-16	391.92	-	318.03	73.89	167.29	152.91	88.27
Misc Total	**H1 2018-19**	**17,020.30**	**0.73**	**6,756.12**	**10,264.91**	**43,404.50**	**40,526.63**	**13,142.78**
	H1 2017-18	**11,809.88**	**0.37**	**3,671.51**	**8,138.74**	**36,354.30**	**33,302.84**	**11,190.20**
	2017-18	**23,905.17**	**5.28**	**7,477.20**	**16,433.25**	**40,526.63**	**33,302.83**	**23,657.05**
	2016-17	**20,260.79**	**38.51**	**8,571.19**	**11,728.11**	**33,302.84**	**26,624.83**	**18,406.12**
	2015-16	**18,544.27**	**80.29**	**4,106.14**	**14,518.42**	**26,624.83**	**23,945.04**	**17,198.21**
Total	**H1 2018-19**	**17,979.15**	**25.71**	**7,520.14**	**10,484.72**	**44,682.44**	**41,607.62**	**13,559.54**
	H1 2017-18	**13,293.55**	**3.99**	**4,924.03**	**8,373.51**	**37,533.73**	**34,390.33**	**11,516.91**
	2017-18	**27,471.85**	**53.37**	**10,551.16**	**16,974.06**	**41,607.62**	**34,390.32**	**24,191.36**
	2016-17	**22,303.26**	**101.79**	**10,104.00**	**12,301.05**	**34,390.33**	**27,424.19**	**19,267.19**
	2015-16	**20,294.38**	**170.10**	**5,374.80**	**15,089.68**	**27,424.19**	**24,638.73**	**17,875.14**

Claims, less reinsurance paid to claimants in/outside India are as under:

(₹ in millions)

Particulars	**For the half year ended September 30, 2018**	**For the half year ended September 30, 2017**	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
In India	10,440.07	8,348.82	16,917.32	12,215.56	15,060.98
Outside India	44.65	24.69	56.74	85.49	28.70
Total	**10,484.72**	**8,373.51**	**16,974.06**	**12,301.05**	**15,089.68**

Reliance General Insurance Company Limited					
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000					
Annexure XI : Restated Statement of Commission Expenses					
					(₹ in millions)
Particulars	**Financial year**	**Commission Paid**	**Commission paid on reinsurance accepted**	**Commission received from reinsurance ceded**	**Net commission (3+4-5)**
1	**2**	**3**	**4**	**5**	**6**
Fire	H1 2018-19	184.81	9.85	229.36	(34.70)
	H1 2017-18	143.24	1.77	211.59	(66.58)
	2017-18	271.14	11.48	324.29	(41.67)
	2016-17	147.02	17.52	420.58	(256.04)
	2015-16	114.50	26.10	312.03	(171.43)
Marine Cargo	H1 2018-19	47.18	0.56	66.22	(18.48)
	H1 2017-18	36.76	0.47	71.01	(33.78)
	2017-18	63.07	0.52	105.21	(41.62)
	2016-17	49.77	0.52	87.54	(37.25)
	2015-16	38.75	1.92	8.45	32.22
Marine Hull	H1 2018-19	2.07	-	3.81	(1.74)
	H1 2017-18	3.23	-	4.09	(0.86)
	2017-18	6.53	-	**5.50**	1.03
	2016-17	2.64	-	(1.24)	3.88
	2015-16	2.16	-	2.60	(0.44)
Marine Total	**H1 2018-19**	**49.25**	**0.56**	**70.03**	**(20.22)**
	H1 2017-18	**39.99**	**0.47**	**75.10**	**(34.64)**
	2017-18	**69.60**	**0.52**	**110.71**	**(40.59)**
	2016-17	**52.41**	**0.52**	**86.30**	**(33.37)**
	2015-16	**40.91**	**1.92**	**11.05**	**31.78**
Motor OD	H1 2018-19	1,254.69	-	569.94	684.75
	H1 2017-18	553.56	-	381.73	171.83
	2017-18	1,694.48	-	828.78	865.70
	2016-17	638.96	-	726.80	(87.84)
	2015-16	669.63	-	685.33	(15.70)
Motor TP	H1 2018-19	94.75	-	198.30	(103.55)
	H1 2017-18	13.10	-	89.41	(76.31)
	2017-18	34.05	-	157.62	(123.57)
	2016-17	7.38	-	106.12	(98.74)
	2015-16	5.65	-	88.95	(83.30)
Motor Total	**H1 2018-19**	**1,349.44**	**-**	**768.24**	**581.20**
	H1 2017-18	**566.66**	**-**	**471.14**	**95.52**
	2017-18	**1,728.53**	**-**	**986.40**	**742.13**
	2016-17	**646.34**	**-**	**832.92**	**(186.58)**
	2015-16	**675.28**	**-**	**774.28**	**(99.00)**
Employer's Liability	H1 2018-19	8.79	-	0.48	8.31
	H1 2017-18	5.03	-	0.38	4.65
	2017-18	11.43	-	0.77	10.66
	2016-17	8.17	-	0.70	7.47
	2015-16	8.74	-	0.70	8.04
Public Liability	H1 2018-19	12.35	0.38	2.05	10.68
	H1 2017-18	9.78	-	12.86	(3.08)
	2017-18	18.90	0.03	10.19	8.74
	2016-17	13.41	0.06	14.66	(1.19)
	2015-16	12.58	-	11.88	0.70
Engineering	H1 2018-19	18.68	1.47	44.39	(24.24)
	H1 2017-18	36.16	1.30	25.89	11.57
	2017-18	66.80	1.93	45.85	22.88
	2016-17	41.42	2.34	57.43	(13.67)
	2015-16	39.44	3.72	83.45	(40.29)
Aviation	H1 2018-19	1.04	-	2.21	(1.17)
	H1 2017-18	0.29	-	2.43	(2.14)
	2017-18	1.12	-	4.29	(3.17)
	2016-17	0.53	-	3.10	(2.57)
	2015-16	0.02	-	3.57	(3.55)
Personal Accident	H1 2018-19	24.96	-	2.49	22.47
	H1 2017-18	14.86	-	2.07	12.79

Reliance General Insurance Company Limited					
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000					
Annexure XI : Restated Statement of Commission Expenses					
					(₹ in millions)
Particulars	**Financial year**	**Commission Paid**	**Commission paid on reinsurance accepted**	**Commission received from reinsurance ceded**	**Net commission (3+4-5)**
1	**2**	**3**	**4**	**5**	**6**
	2017-18	21.81	-	(2.98)	24.79
	2016-17	29.73	0.07	9.44	20.36
	2015-16	26.21	0.06	2.19	24.08
Health	H1 2018-19	278.34	-	260.88	17.46
	H1 2017-18	125.10	-	283.86	(158.76)
	2017-18	302.59	-	545.06	(242.47)
	2016-17	208.22	0.05	57.06	151.21
	2015-16	174.07	0.04	57.75	116.36
Weather and Crop Insurance	H1 2018-19	-	-	724.57	(724.57)
	H1 2017-18	27.50	-	577.25	(549.75)
	2017-18	27.50	-	1,101.99	(1,074.49)
	2016-17	-	-	1,386.26	(1,386.26)
	2015-16	-	-	131.58	(131.58)
Other Misc.	H1 2018-19	24.15	-	3.27	20.88
	H1 2017-18	23.35	-	20.52	2.83
	2017-18	41.56	-	24.10	17.46
	2016-17	38.02	0.01	28.23	9.80
	2015-16	23.89	-	9.37	14.52
Misc Total	**H1 2018-19**	**1,717.75**	**1.85**	**1,808.58**	**(88.98)**
	H1 2017-18	**808.73**	**1.30**	**1,396.40**	**(586.37)**
	2017-18	**2,220.24**	**1.96**	**2,715.67**	**(493.47)**
	2016-17	**985.84**	**2.53**	**2,389.80**	**(1,401.43)**
	2015-16	**960.23**	**3.82**	**1,074.77**	**(110.72)**
Total	**H1 2018-19**	**1,951.81**	**12.26**	**2,107.97**	**(143.90)**
	H1 2017-18	**991.96**	**3.54**	**1,683.09**	**(687.59)**
	2017-18	**2,560.98**	**13.96**	**3,150.67**	**(575.73)**
	2016-17	**1,185.27**	**20.57**	**2,896.68**	**(1,690.84)**
	2015-16	**1,115.64**	**31.84**	**1,397.85**	**(250.37)**

Breakup of Commission Paid - Direct

					(₹ in millions)
Particulars	**For the half year ended September 30, 2018**	**For the half year ended September 30, 2017**	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Agents	621.60	422.96	1,028.82	583.66	634.02
Brokers	802.24	364.17	915.37	455.06	349.19
Corporate Agency	402.92	197.75	545.03	143.80	130.36
Web Aggregator	19.18	6.95	17.22	2.70	2.07
Others					
- IMF	33.70	0.13	0.32	0.05	-
- MISP*	72.17	-	54.22	-	-
Total	**1,951.81**	**991.96**	**2,560.98**	**1,185.27**	**1,115.64**

*As per IRDA circular no. IRDA/INT/GDL/MISP/202/08/2017 dated August 31, 2017.

Annexure XII: Restated Statement of Operating Expenses related to Insurance Business

(₹ in millions)

Particulars	Fire	Marine Cargo	Marine Hull	Marine Total	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Misc Total	Total
	For the half year ended September 30, 2018																
1. Employees' remuneration & welfare benefits	96.33	5.74	0.11	5.85	388.11	459.09	847.20	7.18	7.98	13.59	0.04	23.25	487.91	311.20	18.37	1,716.72	1,818.90
2. Travel, conveyance and vehicle running expenses	4.37	0.26	-	0.26	23.98	28.36	52.34	0.33	0.36	0.62	-	1.45	30.51	13.28	0.83	99.72	104.35
3. Company's contribution to Provident fund and others	5.62	0.34	0.01	0.35	18.97	22.44	41.41	0.42	0.47	0.79	-	1.12	23.50	18.38	1.07	87.16	93.13
4. Rent, rates & taxes	6.06	0.36	0.02	0.38	36.81	43.54	80.35	0.45	0.50	0.85	-	2.31	48.42	14.54	1.15	148.57	155.01
5. Repairs	7.58	0.45	0.01	0.46	46.71	55.25	101.96	0.56	0.63	1.07	-	2.89	60.61	18.28	1.45	187.45	195.49
6. Printing & stationery	1.40	0.08	-	0.08	8.50	10.05	18.55	0.10	0.12	0.20	-	0.53	11.18	3.60	0.27	34.55	36.03
7. Communication expenses	2.74	0.16	-	0.16	16.93	20.03	36.96	0.20	0.23	0.39	-	1.06	22.29	6.46	0.52	68.11	71.01
8. Legal & professional charges	2.94	0.34	0.01	0.35	22.91	27.10	50.01	0.24	0.24	0.40	-	3.05	27.89	7.12	0.63	89.58	92.87
9. Postage expenses	2.24	0.13	-	0.13	13.61	16.10	29.71	0.17	0.19	0.32	-	0.85	17.90	5.39	0.42	54.95	57.32
10. Auditors fees, expenses etc.																	
(a) as auditor	0.10	0.01	-	0.01	0.62	0.74	1.36	0.01	0.01	0.01	-	0.04	0.82	0.25	0.01	2.51	2.62
(b) as advisor or in any other capacity in respect of																	
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Advertisement and publicity	65.58	3.91	0.08	3.99	398.62	471.52	870.14	4.89	5.43	9.25	0.03	24.99	305.86	1.05	12.50	1,234.14	1,303.71
12. Interest & bank charges	1.28	0.08	-	0.08	8.05	9.52	17.57	0.10	0.11	0.18	-	0.49	10.27	3.08	0.25	32.05	33.41
13. Others																	
(a) Training & Recruitment Expenses	1.74	0.10	-	0.10	9.56	11.30	20.86	0.13	0.14	0.24	-	0.58	12.27	5.83	0.34	40.39	42.23
(b) Directors' Sitting fees	0.06	-	-	-	0.37	0.44	0.81	-	0.01	0.01	-	0.02	0.48	0.15	0.01	1.49	1.55
(c) Subscriptions and Membership Fees	0.62	0.04	-	0.04	3.75	4.44	8.19	0.05	0.05	0.09	-	0.24	4.94	1.48	0.10	15.14	15.80
(d) Office Management Expenses	1.17	0.07	-	0.07	7.12	8.43	15.55	0.09	0.10	0.17	-	0.45	9.37	2.81	0.22	28.76	30.00
(e) Entertainment Expenses	1.00	0.06	-	0.06	3.61	4.28	7.89	0.07	0.08	0.14	-	0.22	4.70	2.66	0.22	15.98	17.04
(f) Office Maintenance Expenses	5.43	0.32	0.01	0.33	33.00	39.03	72.03	0.40	0.45	0.77	-	2.07	43.40	13.03	1.04	133.19	138.95
(g) Coinsurance Expenses (net)	5.97	0.10	0.25	0.35	-	-	-	-	0.29	0.82	0.07	0.03	2.62	-	0.13	3.96	10.28
(h) Miscellaneous expenses	0.07	-	-	-	0.89	1.05	1.94	0.01	0.01	0.01	-	0.03	0.58	0.18	-	2.76	2.83
(i) Depreciation	2.93	0.17	-	0.17	17.87	21.14	39.01	0.22	0.24	0.41	-	1.12	23.43	7.04	0.56	72.03	75.13
14. Weather and Crop Insurance Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	145.64	-	145.64	145.64
15. Service tax/ GST expenses	0.15	0.01	-	0.01	0.92	1.08	2.00	0.01	0.01	0.02	-	27.61	1.21	7.94	0.04	38.84	39.00
Total	215.38	12.73	0.50	13.23	1,060.91	1,254.93	2,315.84	15.63	17.65	30.35	0.14	94.40	1,150.16	589.39	40.13	4,253.69	4,482.30

Annexure XII: Restated Statement of Operating Expenses related to Insurance Business

(₹ in millions)

Particulars	Fire	Marine Cargo	Marine Hull	Marine Total	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Misc Total	Total
	For the half year ended September 30, 2017																
1. Employees' remuneration & welfare benefits	67.16	4.68	0.10	4.78	309.77	331.43	641.20	5.27	6.20	12.09	0.04	10.21	327.77	317.20	16.37	1,336.35	1,408.29
2. Travel, conveyance and vehicle running expenses	2.60	0.18	-	0.18	19.77	21.16	40.93	0.20	0.24	0.47	-	0.65	20.95	9.88	0.64	73.96	76.74
3. Company's contribution to Provident fund and others	4.02	0.28	0.01	0.29	17.02	18.21	35.23	0.32	0.37	0.72	-	0.56	17.89	19.02	0.98	75.09	79.40
4. Rent, rates & taxes	4.83	0.34	0.01	0.35	37.16	39.76	76.92	0.38	0.45	0.87	-	1.22	39.05	18.37	1.17	138.43	143.61
5. Repairs	5.18	0.36	0.01	0.37	37.89	40.54	78.43	0.41	0.48	0.93	-	1.31	42.01	19.71	1.25	144.53	150.08
6. Printing & stationery	1.14	0.08	-	0.08	8.35	8.93	17.28	0.09	0.11	0.21	-	0.29	9.23	4.34	0.26	31.81	33.03
7. Communication expenses	2.06	0.14	-	0.14	15.04	16.10	31.14	0.16	0.19	0.37	-	0.52	16.70	7.86	0.52	57.46	59.66
8. Legal & professional charges	8.37	0.16	0.05	0.21	16.00	17.12	33.12	0.15	0.28	1.56	-	3.13	18.37	5.80	0.43	62.84	71.42
9. Postage expenses	1.65	0.11	-	0.11	12.05	12.89	24.94	0.13	0.15	0.30	-	0.41	13.30	6.26	0.40	45.89	47.65
10. Auditors fees, expenses etc.																	
(a) as auditor	0.15	0.01	-	0.01	1.08	1.16	2.24	0.01	0.01	0.03	-	0.04	1.20	0.56	0.03	4.12	4.28
(b) as advisor or in any other capacity in respect of																	
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Advertisement and publicity	71.16	4.96	0.10	5.06	863.31	923.67	1,786.98	5.58	6.57	12.81	0.05	17.94	255.80	(9.18)	17.34	2,093.89	2,170.11

Particulars	Fire	Marine Cargo	Marine Hull	Marine Total	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Misc Total	Total
12. Interest & bank charges	0.89	0.06	-	0.06	6.51	6.97	13.48	0.07	0.08	0.16	-	0.22	7.21	3.39	0.24	24.85	25.80
13. Others																	
(a) Training & Recruitment Expenses	2.82	0.20	-	0.20	19.38	20.73	40.11	0.22	0.26	0.51	-	0.72	23.05	7.81	0.69	73.37	76.39
(b) Directors' Sitting fees	0.06	-	-	-	0.47	0.50	0.97	-	0.01	0.01	-	0.02	0.52	0.24	0.01	1.78	1.84
(c) Subscriptions and Membership Fees	0.31	0.02	-	0.02	2.23	2.39	4.62	0.02	0.03	0.06	-	0.08	2.47	1.16	0.08	8.52	8.85
(d) Office Management Expenses	1.04	0.07	-	0.07	7.59	8.12	15.71	0.08	0.10	0.19	-	0.26	8.41	3.96	0.26	28.97	30.08
(e) Entertainment Expenses	0.27	0.02	-	0.02	2.03	2.17	4.20	0.02	0.03	0.05	-	0.07	2.23	1.04	0.07	7.71	8.00
(f) Office Maintenance Expenses	3.18	0.22	-	0.22	23.24	24.86	48.10	0.25	0.29	0.57	-	0.80	25.73	12.11	0.80	88.65	92.05
(g) Coinsurance Expenses (net)	3.32	(0.03)	0.21	0.18	(0.14)	(0.15)	(0.29)	-	0.36	0.66	0.02	0.08	4.42	(0.08)	0.16	5.33	8.83
(h) Miscellaneous expenses	0.18	0.01	-	0.01	(0.36)	(0.38)	(0.74)	0.01	0.02	0.03	-	0.04	1.43	0.67	0.05	1.51	1.70
(i) Depreciation	2.98	0.20	-	0.20	21.42	22.91	44.33	0.23	0.27	0.52	-	0.74	23.67	11.07	0.71	81.54	84.72
14. Weather and Crop Insurance Expenses	0.81	0.06	-	0.06	5.95	6.37	12.32	0.06	0.08	0.15	-	0.21	6.59	60.35	0.19	79.95	80.82
15. Service tax/ GST expenses	4.11	0.29	0.01	0.30	30.01	32.11	62.12	0.32	0.38	0.74	-	1.04	39.90	32.97	0.99	138.46	142.87
Total	188.29	12.42	0.50	12.92	1,455.77	1,557.57	3,013.34	13.98	16.96	34.01	0.11	40.56	907.90	534.51	43.64	4,605.01	4,806.22

Annexure XII: Restated Statement of Operating Expenses related to Insurance Business

(₹ in millions)

Particulars	For the year ended March 31, 2018																
	Fire	Marine Cargo	Marine Hull	Marine Total	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Misc Total	Total
1. Employees' remuneration & welfare benefits	161.37	7.41	0.14	7.55	723.75	787.08	1,510.83	13.41	14.09	31.78	0.16	22.89	510.57	566.88	40.66	2,711.27	2,880.19
2. Travel, conveyance and vehicle running expenses	6.40	0.29	0.01	0.30	48.57	52.82	101.39	0.52	0.55	1.24	0.01	1.49	33.27	18.82	1.60	158.89	165.59
3. Company's contribution to Provident fund and others	8.77	0.40	0.01	0.41	36.03	39.18	75.21	0.72	0.76	1.71	0.01	1.16	25.73	29.67	2.18	137.15	146.33
4. Rent, rates & taxes	9.46	0.43	0.01	0.44	76.72	83.43	160.15	0.78	0.81	1.84	0.01	2.37	52.82	24.27	2.35	245.40	255.30
5. Repairs	11.16	0.50	0.01	0.51	88.20	95.92	184.12	0.91	0.96	2.16	0.01	2.80	62.32	29.53	2.77	285.58	297.25
6. Printing & stationery	2.53	0.11	-	0.11	20.13	21.89	42.02	0.21	0.22	0.49	-	0.63	14.12	6.66	0.63	64.98	67.62
7. Communication expenses	4.02	0.18	-	0.18	31.64	34.41	66.05	0.33	0.34	0.78	-	1.00	22.38	10.29	1.00	102.17	106.37
8. Legal & professional charges	14.19	0.23	0.11	0.34	34.43	37.44	71.87	0.28	0.38	2.75	-	5.94	28.30	7.95	1.54	119.01	133.54
9. Postage expenses	3.42	0.15	-	0.15	26.99	29.35	56.34	0.28	0.29	0.66	-	0.85	19.02	8.75	0.85	87.04	90.61
10. Auditors fees, expenses etc.																	
(a) as auditor	0.16	0.01	-	0.01	1.50	1.63	3.13	0.02	0.02	0.04	-	0.05	1.06	0.49	0.05	4.86	5.03
(b) as advisor or in any other capacity in respect of																	
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Advertisement and publicity	95.53	4.32	0.08	4.40	1,535.55	1,669.91	3,205.46	7.83	8.22	18.55	0.09	23.95	306.03	(8.24)	23.73	3,585.62	3,685.55
12. Interest & bank charges	1.63	0.07	-	0.07	17.86	19.42	37.28	0.13	0.14	0.31	-	0.40	9.01	4.14	0.40	51.81	53.51
13. Others																	
(a) Training & Recruitment Expenses	2.08	0.09	-	0.09	13.39	14.56	27.95	0.17	0.18	0.41	-	0.50	11.03	0.92	0.52	41.68	43.85
(b) Directors' Sitting fees	0.13	0.01	-	0.01	1.02	1.11	2.13	0.01	0.01	0.03	-	0.03	0.72	0.33	0.03	3.29	3.43
(c) Subscriptions and Membership Fees	0.85	0.04	-	0.04	6.62	7.20	13.82	0.07	0.07	0.16	-	0.21	4.67	2.15	0.21	21.36	22.25
(d) Office Management Expenses	2.27	0.10	-	0.10	17.89	19.45	37.34	0.19	0.19	0.44	-	0.57	12.62	5.80	0.56	57.71	60.08
(e) Entertainment Expenses	1.03	0.05	-	0.05	5.90	6.42	12.32	0.08	0.09	0.20	-	0.19	4.16	2.86	0.26	20.16	21.24
(f) Office Maintenance Expenses	6.73	0.30	0.01	0.31	53.26	57.92	111.18	0.55	0.58	1.31	0.01	1.69	37.59	17.27	1.67	171.85	178.89
(g) Coinsurance Expenses (net)	5.36	0.36	0.51	0.87	(0.11)	(0.11)	(0.22)	-	0.46	0.98	0.05	0.12	7.87	(0.04)	0.18	9.40	15.63
(h) Miscellaneous expenses	0.42	0.02	-	0.02	3.76	4.08	7.84	0.03	0.04	0.08	-	0.10	2.32	1.07	0.09	11.57	12.01
(i) Depreciation	6.60	0.30	0.01	0.31	51.81	56.35	108.16	0.54	0.56	1.27	0.01	1.64	36.58	16.75	1.62	167.13	174.04
14. Weather and Crop Insurance Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	288.51	-	288.51	288.51
15. Service tax/ GST expenses	2.77	0.13	-	0.13	35.89	39.04	74.93	0.23	0.24	0.54	-	4.05	26.91	76.62	0.70	184.22	187.12
Total	346.88	15.50	0.90	16.40	2,830.80	3,078.50	5,909.30	27.29	29.20	67.73	0.36	72.63	1,229.10	1,111.45	83.60	8,530.66	8,893.94

Annexure XII: Restated Statement of Operating Expenses related to Insurance Business

(₹ in millions)

Particulars	For the year ended March 31, 2017																
	Fire	Marine Cargo	Marine Hull	Marine Total	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Misc Total	Total
1. Employees' remuneration & welfare benefits	137.62	8.08	0.13	8.21	629.69	673.24	1,302.93	14.22	13.02	32.40	0.20	34.01	324.32	343.02	40.75	2,104.87	2,250.70

Particulars	Fire	Marine Cargo	Marine Hull	Marine Total	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Misc Total	Total
2. Travel, conveyance and vehicle running expenses	5.02	0.30	-	0.30	45.28	48.41	93.69	0.53	0.48	1.20	0.01	1.99	19.12	9.85	1.53	128.40	133.72
3. Company's contribution to Provident fund and others	8.87	0.53	0.01	0.54	37.16	39.73	76.89	0.93	0.85	2.13	0.01	2.02	19.17	17.44	2.68	122.12	131.53
4. Rent, rates & taxes	9.68	0.58	0.01	0.59	85.81	91.75	177.56	1.02	0.93	2.32	0.01	3.84	36.84	19.04	2.91	244.47	254.74
5. Repairs	10.49	0.63	0.01	0.64	94.56	101.10	195.66	1.10	1.01	2.52	0.02	4.43	42.44	21.47	3.15	271.80	282.93
6. Printing & stationery	2.53	0.15	-	0.15	22.44	23.99	46.43	0.27	0.24	0.61	-	1.00	9.61	4.98	0.75	63.89	66.57
7. Communication expenses	4.06	0.24	-	0.24	35.97	38.46	74.43	0.43	0.39	0.97	0.01	1.61	15.42	7.99	1.24	102.49	106.79
8. Legal & professional charges	14.16	(0.75)	-	(0.75)	42.08	44.99	87.07	0.37	0.45	2.61	-	2.15	19.67	6.38	1.05	119.75	133.16
9. Postage expenses	3.00	0.18	-	0.18	26.61	28.45	55.06	0.32	0.29	0.72	-	1.19	11.38	5.90	0.90	75.76	78.94
10. Auditors fees, expenses etc.																	
(a) as auditor	0.23	0.01	-	0.01	2.00	2.14	4.14	0.02	0.02	0.05	-	0.09	0.86	0.44	0.08	5.70	5.94
(b) as advisor or in any other capacity in respect of																	
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Advertisement and publicity	90.68	5.42	0.09	5.51	1,441.84	1,541.55	2,983.39	9.54	8.74	21.74	0.13	35.93	312.21	9.18	27.35	3,408.21	3,504.40
12. Interest & bank charges	1.76	0.11	-	0.11	15.42	16.49	31.91	0.18	0.17	0.42	-	0.70	6.67	3.46	0.53	44.04	45.91
13. Others																	
(a) Training & Recruitment Expenses	6.99	0.42	0.01	0.43	61.59	65.85	127.44	0.74	0.67	1.68	0.01	2.75	26.29	16.74	2.09	178.41	185.83
(b) Directors' Sitting fees	0.06	-	-	-	0.57	0.61	1.18	0.01	0.01	0.02	-	0.03	0.24	0.13	0.01	1.63	1.69
(c) Subscriptions and Membership Fees	0.86	0.05	-	0.05	7.60	8.13	15.73	0.09	0.08	0.21	-	0.34	3.25	1.69	0.26	21.65	22.56
(d) Office Management Expenses	2.29	0.14	-	0.14	20.32	21.73	42.05	0.24	0.22	0.55	-	0.91	8.70	4.51	0.69	57.87	60.30
(e) Entertainment Expenses	0.44	0.03	-	0.03	3.95	4.23	8.18	0.05	0.04	0.11	-	0.18	1.70	0.87	0.14	11.27	11.74
(f) Office Maintenance Expenses	6.50	0.39	0.01	0.40	57.63	61.61	119.24	0.68	0.63	1.56	0.01	2.58	24.67	13.10	1.96	164.43	171.33
(g) Coinsurance Expenses (net)	5.08	1.32	0.20	1.52	0.01	0.02	0.03	-	0.38	0.99	0.10	0.12	4.25	-	0.11	5.98	12.58
(h) Miscellaneous expenses	0.63	0.04	-	0.04	8.91	9.53	18.44	0.07	0.06	0.15	-	0.25	2.38	1.23	0.15	22.73	23.40
(i) Depreciation	6.51	0.37	0.01	0.38	54.87	58.67	113.54	0.64	0.59	1.47	0.01	2.43	23.86	12.04	1.85	156.43	163.32
14. Weather and Crop Insurance Expenses	(1.02)	(0.06)	-	(0.06)	(9.03)	(9.66)	(18.69)	(0.11)	(0.10)	(0.24)	-	(0.40)	(3.87)	214.74	(0.31)	191.02	189.94
15. Service tax/ GST expenses	1.75	0.10	-	0.10	15.51	16.59	32.10	0.18	0.17	0.42	-	0.83	11.89	55.06	0.52	101.17	103.02
Total	318.19	18.28	0.48	18.76	2,700.79	2,887.61	5,588.40	31.52	29.34	74.61	0.52	98.98	921.07	769.26	90.39	7,604.09	7,941.04

Annexure XII: Restated Statement of Operating Expenses related to Insurance Business

(₹ in millions)

Particulars	For the year ended March 31, 2016																
	Fire	Marine Cargo	Marine Hull	Marine Total	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Misc Total	Total
1. Employees' remuneration & welfare benefits	148.86	63.36	0.37	63.73	519.23	576.52	1,095.75	19.72	12.68	38.80	0.26	22.39	446.08	101.76	40.21	1,777.65	1,990.24
2. Travel, conveyance and vehicle running expenses	4.78	1.75	0.01	1.76	40.29	44.74	85.03	0.54	0.35	1.07	0.01	1.59	31.96	1.46	1.11	123.12	129.66
3. Company's contribution to Provident fund and others	4.20	1.79	0.01	1.80	39.02	43.33	82.35	0.56	0.36	1.09	0.01	1.58	31.39	1.49	1.13	119.96	125.96
4. Rent, rates & taxes	8.15	3.45	0.02	3.47	73.79	81.93	155.72	1.08	0.68	2.11	0.01	3.06	60.87	2.90	2.20	228.63	240.25
5. Repairs	10.39	4.13	0.02	4.15	94.74	105.19	199.93	1.29	0.83	2.52	0.02	3.60	77.16	3.45	2.42	291.22	305.76
6. Printing & stationery	1.85	0.79	-	0.79	17.20	19.09	36.29	0.24	0.16	0.48	-	0.70	13.92	0.66	0.50	52.95	55.59
7. Communication expenses	4.07	1.78	0.01	1.79	38.66	42.92	81.58	0.55	0.36	1.09	0.01	1.55	30.96	1.49	1.13	118.72	124.58
8. Legal & professional charges	14.90	1.71	0.08	1.79	36.99	41.07	78.06	0.56	0.33	3.46	0.01	2.97	31.36	1.36	1.09	119.20	135.89
9. Postage expenses	3.16	1.34	0.01	1.35	29.39	32.63	62.02	0.42	0.27	0.82	0.01	1.19	23.63	1.12	0.86	90.34	94.85
10. Auditors fees, expenses etc.																	
(a) as auditor	0.15	0.06	-	0.06	1.40	1.56	2.96	0.02	0.01	0.04	-	0.06	1.13	0.05	0.05	4.32	4.53
(b) as advisor or in any other capacity in respect of																	
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Advertisement and publicity	100.78	44.33	0.27	44.60	899.20	998.40	1,897.60	14.46	8.47	26.15	0.19	41.39	423.29	-	28.33	2,439.88	2,585.26
12. Interest & bank charges	0.98	0.42	-	0.42	9.10	10.11	19.21	0.13	0.08	0.26	-	0.37	7.32	0.35	0.26	27.98	29.38
13. Others																	
(a) Training & Recruitment Expenses	6.00	2.34	0.01	2.35	52.49	58.28	110.77	0.73	0.47	1.43	0.01	2.19	44.37	1.96	1.49	163.42	171.77
(b) Directors' Sitting fees	0.04	0.02	-	0.02	0.37	0.41	0.78	0.01	-	0.01	-	0.01	0.29	0.01	0.01	1.12	1.18
(c) Subscriptions and Membership Fees	1.09	0.48	-	0.48	10.14	11.26	21.40	0.14	0.09	0.28	-	0.41	8.16	0.39	0.29	31.16	32.73
(d) Office Management Expenses	2.01	0.86	-	0.86	18.64	20.69	39.33	0.27	0.17	0.52	-	0.75	14.99	0.71	0.54	57.28	60.15
(e) Entertainment Expenses	0.28	0.10	-	0.10	2.20	2.44	4.64	0.03	0.02	0.06	-	0.09	1.81	0.08	0.07	6.80	7.18
(f) Office Maintenance Expenses	4.72	2.01	0.01	2.02	43.91	48.75	92.66	0.63	0.40	1.23	0.01	1.77	35.32	1.68	1.28	134.98	141.72
(g) Coinsurance Expenses (net)	1.99	0.92	0.13	1.05	0.01	0.01	0.02	-	0.03	0.49	0.07	0.08	5.47	-	0.37	6.53	9.57

Particulars	Fire	Marine Cargo	Marine Hull	Marine Total	Motor OD	Motor TP	Motor Total	Employer's Liability	Public Liability	Engineering	Aviation	Personal Accident	Health	Weather and Crop Insurance	Other Misc.	Misc Total	Total
(h) Miscellaneous expenses	0.13	0.05	-	0.05	3.82	4.24	8.06	0.02	0.01	0.03	-	0.05	1.24	0.04	0.14	9.59	9.77
(i) Depreciation	6.41	2.42	0.01	2.43	53.77	59.70	113.47	0.75	0.48	1.48	0.01	2.13	43.62	2.02	1.54	165.50	174.34
14. Weather and Crop Insurance Expenses	0.10	0.04	-	0.04	0.96	1.07	2.03	0.01	0.01	0.03	-	1.65	0.77	26.37	0.03	30.90	31.04
15. Service tax/ GST expenses	2.73	1.16	0.01	1.17	25.35	28.15	53.50	0.36	0.23	0.71	-	1.02	20.39	0.97	0.74	77.92	81.82
Total	327.77	135.31	0.97	136.28	2,010.67	2,232.49	4,243.16	42.52	26.49	84.16	0.63	90.60	1,355.50	150.32	85.79	6,079.17	6,543.22

Annexure XIII : Restated Statement of Share Capital

(₹ in millions)

Particulars	As at September 30, 2018	As at September 30, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
1. Authorised Capital					
Equity Shares of ₹ 10 each	3,000.00	3,000.00	3,000.00	2,000.00	2,000.00
2. Issued Capital					
Equity Shares of ₹ 10 each	2,515.50	2,515.50	2,515.50	1,257.75	1,227.75
3. Subscribed Capital					
Equity Shares of ₹ 10 each	2,515.50	2,515.50	2,515.50	1,257.75	1,227.75
4. Called-up Capital					
Equity Shares of ₹ 10 each	2,515.50	2,515.50	2,515.50	1,257.75	1,227.75
Less: Calls unpaid	-	-	-	-	-
Add: Shares forfeited (Amount originally paid up)	-	-	-	-	-
Less: Par Value of Equity Shares bought back	-	-	-	-	-
Less: Preliminary Expenses to the extent not written off	-	-	-	-	-
Expenses including commision or brokerage on underwriting or subscription of shares.	-	-	-	-	-
Total	**2,515.50**	**2,515.50**	**2,515.50**	**1,257.75**	**1,227.75**

Note:

Particulars	As at September 30, 2018	As at September 30, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Number of shares held by Reliance Capital Limited, the holding company	25,15,49,920	25,15,49,920	25,15,49,920	12,57,74,960	12,21,10,660

Pattern of Shareholding (As Certified by Management):

Particulars	As at September 30, 2018	As at September 30, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Promoters					
- Indian	25,15,49,920	25,15,49,920	25,15,49,920	12,57,74,960	12,21,10,660
- Foreign	-	-	-	-	-
% of Holding	100%	100%	100%	100%	99.5%
Others - (Employee/other)	-	-	-	-	6,64,300
% of Holding	-	-	-	-	0.5%
Total	**25,15,49,920**	**25,15,49,920**	**25,15,49,920**	**12,57,74,960**	**12,27,74,960**

Annexure XIV: Restated Statement of Reserves and Surplus

(₹ in millions)

Particulars	As at September 30, 2018	As at September 30, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
1. Capital Reserve	-	-	-	-	-
2. Capital Redemption Reserve	-	-	-	-	-
3. Share Premium :					
Opening Balance	7,667.05	8,924.80	8,924.80	8,054.80	16,242.88
Add: Additions during the year	-	-	-	870.00	-
Less: Adjusted as per capital reduction scheme	-	-	-	-	(8,188.08)
Less: Issue of bonus	-	(1,257.75)	(1,257.75)	-	-
Closing Balance	7,667.05	7,667.05	7,667.05	8,924.80	8,054.80
4. General Reserve	-	-	-	-	-
5. Catastrophe Reserve	-	-	-	-	-
6. Debenture Redemption Reserve					
Opening Balance	127.78	63.89	63.89	-	-
Add: Additions during the year	31.94	31.94	63.89	63.89	-
Closing Balance	159.72	95.83	127.78	63.89	-
7. Balance of profit in Profit and Loss Account	4,690.38	3,030.62	3,740.82	2,230.37	1,006.98

Total	**12,517.15**	**10,793.50**	**11,535.65**	**11,219.06**	**9,061.78**

Annexure XVI: Restated Statement of Investments - Shareholders

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
LONG TERM INVESTMENTS					
1. Government Securities and Government guaranteed bonds including Treasury Bills	4,725.85	4,125.51	3,904.06	2,749.22	1,900.20
2. Other Approved Securities	1,228.19	1,392.57	1,135.21	1,421.86	593.53
3. Other Investments					
(a) Shares					
(aa) Equity	276.45	193.06	233.72	124.05	75.95
(bb) Preference	-	0.31	-	-	-
(b) Mutual Funds	-	-	-	-	-
(c) Derivative Instruments	-	-	-	-	-
(d) Debentures / Bonds	3,745.70	3,871.10	2,807.37	3,021.36	1,628.03
(e) Subsidiaries	-	-	-	-	-
(f) Investment Properties - Real Estate	-	-	-	-	-
(g) Other Securities	-	-	-	-	-
4. Investments in Infrastructure and Social Sector	1,195.78	1,319.78	962.21	1,129.68	1,375.74
5. Other than Approved Investments	173.36	178.20	141.29	273.35	175.25
Less - Provision for diminution in the value of investment	(5.52)	-	-	-	-
Sub-Total (A)	**11,339.81**	**11,080.53**	**9,183.86**	**8,719.52**	**5,748.70**
SHORT TERM INVESTMENTS					
1. Government Securities and Government guaranteed bonds including Treasury Bills	-	28.41	115.52	-	-
2. Other Approved Securities	-	-	29.88	-	-
3. Other Investments					
(a) Shares					
(aa) Equity	2.25	-	2.31	-	-
(bb) Preference	0.26	-	0.23	-	-
(b) Mutual Funds	80.20	497.62	104.05	429.35	158.06
(c) Derivative Instruments	-	-	-	-	-
(d) Debentures / Bonds	1,909.90	1,601.88	1,795.62	1,621.11	1,137.99
(e) Subsidiaries	-	-	-	-	-
(f) Investment Properties - Real Estate	-	-	-	-	-
(g) Other Securities	39.45	28.00	98.53	-	-
4. Investments in Infrastructure and Social Sector	276.91	111.95	72.55	139.87	479.82
5. Other than Approved Investments	-	242.79	188.29	24.47	117.59
Less - Provision for diminution in the value of investment	-	-	-	-	-
Sub-Total (B)	**2,308.97**	**2,510.65**	**2,406.98**	**2,214.80**	**1,893.46**
Total (A+B)	**13,648.78**	**13,591.18**	**11,590.84**	**10,934.32**	**7,642.16**

Notes

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
1. The book value of Investment other than listed equity shares is	13,396.60	13,333.38	11,305.44	10,758.17	7,541.02
2. The market value of Investment other than listed equity shares is	12,961.32	13,482.34	11,213.33	10,867.77	7,590.51

3. All the above investments are performing assets.
4. The company has segregated the investments seperately between policy holders funds and share holders funds on notional basis as per IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated April 04,2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated January 12,2017

Annexure XVIA: Restated Statement of Investments - Policyholders

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
LONG TERM INVESTMENTS					
1. Government Securities and Government guaranteed bonds including Treasury Bills	25,224.08	17,973.17	23,037.94	14,157.63	11,480.41
2. Other Approved Securities	6,555.45	6,066.86	6,698.88	7,322.13	3,585.91

3. Other Investments					
(a) Shares					
(aa) Equity	1,475.57	841.07	1,379.17	638.80	458.88
(bb) Preference	-	1.33	-	-	-
(b) Mutual Funds	-	-	-	-	-
(c) Derivative Instruments	-	-	-	-	-
(d) Debentures / Bonds	19,992.57	16,864.83	16,566.35	15,559.04	9,836.04
(e) Subsidiaries	-	-	-	-	-
(f) Investment Properties - Real Estate	-	-	-	-	-
(g) Other Securities	-	-	-	-	-
4. Investments in Infrastructure and Social Sector	6,382.42	5,749.75	5,678.05	5,817.53	8,311.81
5. Other than Approved Investments	925.31	776.36	833.78	1,407.69	1,058.81
Less - Provision for diminution in the value of investment	(29.48)	-	-	-	-
Sub-Total (A)	**60,525.92**	**48,273.37**	**54,194.17**	**44,902.82**	**34,731.86**
SHORT TERM INVESTMENTS					
1. Government Securities and Government guaranteed bonds including Treasury Bills	-	123.79	681.67	-	-
2. Other Approved Securities	-	-	176.31	-	-
3. Other Investments					
(a) Shares					
(aa) Equity	11.99	-	13.66	-	-
(bb) Preference	1.39	-	1.36	-	-
(b) Mutual Funds	428.05	2,167.94	614.03	2,211.01	954.95
(c) Derivative Instruments	-	-	-	-	-
(d) Debentures / Bonds	10,194.03	6,978.74	10,596.00	8,348.23	6,875.41
(e) Subsidiaries	-	-	-	-	-
(f) Investment Properties - Real Estate	-	-	-	-	-
(g) Other Securities	210.56	121.99	581.41	-	-
4. Investments in Infrastructure and Social Sector	1,478.02	487.72	428.09	720.27	2,898.93
5. Other than Approved Investments	-	1,057.73	1,111.10	126.01	710.42
Less - Provision for diminution in the value of investment	-	-	-	-	-
Sub-Total (B)	**12,324.04**	**10,937.91**	**14,203.63**	**11,405.52**	**11,439.71**
Total (A+B)	**72,849.96**	**59,211.28**	**68,397.80**	**56,308.34**	**46,171.57**

Notes

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
1. The book value of Investment other than listed equity shares is	70,963.90	58,088.18	66,713.61	55,401.22	45,560.55
2. The market value of Investment other than listed equity shares is	68,658.15	58,737.12	66,170.04	55,965.61	45,859.53

3. All the above investments are performing assets.
4. The company has segregated the investments seperately between policy holders funds and share holders funds on notional basis as per IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated 04th April,2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated 12th January,2017

Annexure XVII: Restated Statement of Loans

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
1. SECURITY-WISE CLASSIFICATION					
Secured					
(a) On mortgage of property					
(aa) In India	-	-	-	-	-
(bb) Outside India	-	-	-	-	-
(b) On Shares, Bonds, Govt. Securities, etc.	-	-	-	-	-
(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	-	-	-	-	-

Note:- There are no loans subject to restructuring

Annexure XIX: Restated Statement of Cash and Bank Balances

(₹ in millions)

Particulars	As at				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
1. Cash (including cheques on hand, drafts and stamps)	40.91	34.92	32.40	57.73	59.97
2. Bank Balances					
(a) Deposit Accounts					
(aa) Short-term (due within 12 months of Balance Sheet)*	10.64	1.39	9.67	1.48	75.29
(bb) Others	-	-	-	-	-
(b) Current Accounts **	1,250.31	636.13	3,129.72	442.23	472.97
(c) Cheques on Hand	278.80	232.72	201.36	751.41	404.79
3. Money at Call and Short Notice					
(a) With Banks	-	-	-	-	-
(b) With other Institutions	-	-	-	-	-
4. Others	-	-	-	-	-
Total	**1,580.66**	**905.16**	**3,373.15**	**1,252.85**	**1,013.02**
Balances with non-Scheduled banks included in 2 and 3 above	-	-	-	-	-
* Short term deposit represents fixed deposit given to bank for bank guarantee.					
** Balance earmarked for specified purpose in a separate bank account	126.76	126.96	126.84	127.21	130.04

Annexure XX: Restated Statement of Advances and Other Assets

(₹ in millions)

Particulars	As at				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
Advances					
Reserve deposits with Ceding Companies	-	-	-	-	-
Application money for investments	-	-	-	-	-
Prepayments	332.18	209.32	140.84	66.76	34.36
Advances to Directors/ Officers	-	-	-	-	-
Advance tax paid and taxes deducted at source (Net of provision for taxation)	137.64	31.03	15.03	47.86	47.45
MAT Credit Entitlement	1,169.42	776.72	972.92	588.39	288.59
Others					
- Rental & Other Deposits	338.38	300.98	325.05	319.93	339.08
- Advances to Staff	4.98	4.58	2.62	2.84	2.19
- Unutilised Input Tax Credit -GST/Service Tax/VAT	356.89	113.90	191.89	33.34	44.77
- Other Advances & Deposits	889.79	800.24	463.08	287.91	311.33
	1,590.04	1,219.70	982.64	644.02	697.37
Less Provision for doubtful advances	(85.68)	(50.41)	(106.09)	(24.41)	-
	1,504.36	1,169.29	876.55	619.61	697.37
Total (A)	**3,143.60**	**2,186.36**	**2,005.34**	**1,322.62**	**1,067.77**
Other Assets					
Income accrued on investments	2,413.62	1,912.00	2,282.33	2,041.68	1,698.90
Investments pertaining to Policyholder funds	533.86	509.25	533.03	487.04	-
Outstanding Premiums	8,217.13	7,519.95	2,186.44	772.93	749.95
Agents' Balances	6.17	29.15	2.26	1.19	0.81
Foreign Agency Balances	-	-	-	-	-
Investments Sales- to be settled	-	482.41	207.10	1,442.48	2,024.50

Repossessed Stock	-	-	-	-	-
Due from other entities carrying on insurance business	3,028.79	2,469.27	2,579.11	1,897.83	2,260.26
Less Provision for doubtful debts	(450.06)	(416.86)	(418.78)	(392.47)	(383.82)
Total (B)	**13,749.51**	**12,505.17**	**7,371.49**	**6,250.68**	**6,350.60**
Total (A+B)	**16,893.11**	**14,691.53**	**9,376.83**	**7,573.30**	**7,418.37**

Annexure XXI: Restated Statement of Current Liabilities

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
1. Agents' Balances	267.10	197.04	300.71	87.13	64.62
2. Balances due to other insurance companies	10,939.31	8,620.42	6,811.09	5,372.77	3,530.49
3. Premiums received in advance	1,079.34	293.93	569.04	159.26	106.26
4. Unallocated Premium	2,938.73	1,139.16	3,887.59	2,793.39	817.15
5. Interest Accrued but not due on Borrowings	26.38	26.38	130.74	130.74	-
6. Sundry creditors	2,592.20	2,280.64	1,969.55	1,146.87	1,042.17
7. Claims Outstanding	49,621.89	43,304.79	47,333.10	39,575.39	34,628.12
Add : Provision for Doubtful Reinsurance Recoveries	137.33	137.33	137.33	137.33	137.33
	49,759.22	43,442.12	47,470.43	39,712.72	34,765.45
8. Due to Officers / Directors	-		-	-	-
9. Others					
(a) Unclaimed amount of policyholders*	752.96	730.60	744.64	720.85	504.68
(b) Payable to policyholders*	81.60	137.75	80.93	-	-
(c) Environmental Relief Fund Payable	0.12	0.19	0.05	0.03	0.01
(d) Temporary Book Overdraft as per accounts	22.95	880.10	363.44	324.70	759.71
(e) Investments purchased - to be settled	-	5.22	-	53.19	466.86
(f) Employee Related Payables	535.96	367.20	620.45	380.48	351.88
(g) Statutory Dues	246.25	109.25	285.07	159.00	152.06
(h) Service Tax/ VAT/ GST Liability	63.34	387.79	202.35	118.87	87.23
Total	**69,305.46**	**58,617.79**	**63,436.08**	**51,160.00**	**42,648.57**

* The company has segregated unclaimed amount of policy holder as per IRDAI Circular Ref: IRDA/F&A/CIR/Misc/173/07/2017 dated: 25th Jul 2017.

Annexure XXII: Restated Statement of Provisions

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
1. Reserve for Unexpired Risk	18,663.03	14,580.61	13,603.15	10,524.29	9,101.39
2. For Taxation (less advance tax paid and Tax deducted source)	64.50	41.61	50.73	85.25	26.54
3. For Final Dividends	-	-	-	-	-
4. For Dividend distribution tax	-	-	-	-	-
5. Reserve for Premium Deficiency	-	-	-	-	-
6. Others:					
(a) For Gratuity	28.35	25.28	7.13	2.61	2.78
(b) For Leave Encashment	4.67	24.37	2.61	22.02	19.21
(c) For Risk Reserves	100.00	100.00	100.00	100.00	100.00
Total	**18,860.55**	**14,771.87**	**13,763.62**	**10,734.17**	**9,249.92**

Annexure XXIII: Restated Statement of Miscellaneous Expenditure

(₹ in millions)

Particulars	**As at**				
	September 30, 2018	**September 30, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
1. Discount allowed in issue of shares / debentures	-	-	-	-	-
2. Others (to be specified)	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - XV: Restated Statement of Borrowings

Unsecured Borrowings:- (₹ in millions)

Sl No.	Particulars	As at September 30, 2018	As at September 30, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
1	**Unsecured borrowings:**					
	Debentures / Bonds: Unsecured- Long term	2,300.00	2,300.00	2,300.00	2,300.00	-
	Total	**2,300.00**	**2,300.00**	**2,300.00**	**2,300.00**	**-**

During the year ended March 31 2017, the Company has issued Unsecured Subordinated Redeemable 9.10% Non Convertible Debentures, in accordance with Insurance Regulatory and Development Authority of India (Other forms of Capital) Regulations, 2015, amounting to Rs. 2,300 millions on private placement basis which are listed at Bombay Stock Exchange.

Maturity Pattern from the date of issue

(₹ in millions)

Maturity Buckets	Borrowings
1 to 5 years	-
Above 5 years	2,300.00
Total	**2,300.00**

Details of the terms of issue are as follows:

Series	A NCD 01 Type I
Type, Nature and Seniority of Instrument	Rated, listed, unsecured, subordinated, redeemable and non convertible debentures
Face Value (per security)	Rs 1 in Million
Issue Size	Rs 2,300 in Million
Issue Date / Date of Allotment	August 16, 2016
Redemption Date	August 17, 2026
Coupon Rate	9.10% per annum
Credit Rating	“CARE AA” by CARE and “BWR AA” by Brickwork
Listing	Listed on WDM on BSE
Frequency of the Interest Payment	Annual

Secured Borrowings:- (₹ in millions)

Sl No.	Particulars	As at September 30, 2018	As at September 30, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
1	**Secured borrowings:**					
	Collateralized Borrowing and Lending Obligations (CBLO)*	500.00	-	-	-	-
	Total	**500.00**	**-**	**-**	**-**	**-**
	*** Securities pledged with Clearing Corporation of India Limited (CCIL) against CBLO:**					
	Face value of securities pledged	510.08	-	-	-	-
	Amortised book value of securities pledged	547.03	-	-	-	-

Annexure XVIII: Restated Statement of Fixed Assets

Restated schedule of Fixed Assets as at September 30, 2018:-

(₹ in millions)

Category of fixed assets	Opening Gross Block	Additions	Deletions	Closing Gross Block	Opening Accumulated Depreciation	Depreciation for the year	Deductions	Closing Accumulated Depreciation	Closing Net Block
Furniture & Fittings	86.30	1.60	-	**87.90**	71.01	1.96	-	**72.97**	**14.93**
Leasehold Improvements	79.97	1.83	-	**81.80**	56.32	5.41	-	**61.73**	**20.07**
Information Technology Equipment	383.46	12.85	1.06	**395.25**	288.77	23.95	0.94	**311.78**	**83.47**
Intangible Asset (Computer Software)	687.86	-	-	**687.86**	569.88	32.02	-	**601.90**	**85.96**
Vehicles	10.58	3.91	-	**14.49**	0.74	0.89	-	**1.63**	**12.86**
Office Equipment	222.17	9.33	1.79	**229.71**	186.40	10.90	1.55	**195.75**	**33.96**
Plant & Machinery	4.51	-	-	**4.51**	4.48	-	-	**4.48**	**0.03**
Capital WIP	64.00	23.51	-	**87.51**	-	-	-	**-**	**87.51**
Total	**1,538.85**	**53.03**	**2.85**	**1,589.03**	**1,177.60**	**75.13**	**2.49**	**1,250.24**	**338.79**

Restated schedule of Fixed Assets as at September 30, 2017:-

(₹ in millions)

Category of fixed assets	Opening Gross Block	Additions	Deletions	Closing Gross Block	Opening Accumulated Depreciation	Depreciation for the year	Deductions	Closing Accumulated Depreciation	Closing Net Block
Furniture & Fittings	84.93	1.41	-	**86.34**	69.02	1.89	-	**70.91**	**15.43**
Leasehold Improvements	73.80	1.50	-	**75.30**	45.25	5.17	-	**50.42**	**24.88**
Information Technology Equipment	298.19	8.03	0.42	**305.80**	247.79	18.66	0.17	**266.28**	**39.52**
Intangible Asset (Computer Software)	655.66	30.40	-	**686.06**	475.89	48.35	-	**524.24**	**161.82**
Vehicles	0.28	-	-	**0.28**	0.28	-	-	**0.28**	**-**
Office Equipment	209.40	7.01	2.27	**214.14**	170.74	10.63	1.56	**179.81**	**34.33**
Plant & Machinery	4.51	-	-	**4.51**	4.44	0.02	-	**4.46**	**0.05**
Capital WIP	8.38	24.59	-	**32.97**	-	-	-	**-**	**32.97**
Total	**1,335.15**	**72.94**	**2.69**	**1,405.40**	**1,013.41**	**84.72**	**1.73**	**1,096.40**	**309.00**

Restated schedule of Fixed Assets as at March 31, 2018:-

(₹ in millions)

Category of fixed assets	Opening Gross Block	Additions	Deletions	Closing Gross Block	Opening Accumulated Depreciation	Depreciation for the year	Deductions	Closing Accumulated Depreciation	Closing Net Block
Furniture & Fittings	84.93	3.78	2.41	**86.30**	69.02	4.21	2.22	**71.01**	**15.29**
Leasehold Improvements	73.80	6.17	-	**79.97**	45.25	11.07	-	**56.32**	**23.65**
Information Technology Equipment	298.19	88.25	2.98	**383.46**	247.79	43.02	2.04	**288.77**	**94.69**
Intangible Asset (Computer Software)	655.66	32.20	-	**687.86**	475.89	93.99	-	**569.88**	**117.98**
Vehicles	0.28	10.30	-	**10.58**	0.28	0.46	-	**0.74**	**9.84**
Office Equipment	209.40	20.40	7.63	**222.17**	170.74	21.25	5.59	**186.40**	**35.77**
Plant & Machinery	4.51	-	-	**4.51**	4.44	0.04	-	**4.48**	**0.03**
Capital WIP	8.38	55.62	-	**64.00**	-	-	-	**-**	**64.00**
Total	**1,335.15**	**216.72**	**13.02**	**1,538.85**	**1,013.41**	**174.04**	**9.85**	**1,177.60**	**361.25**

Annexure XVIII: Restated Statement of Fixed Assets

Restated schedule of Fixed Assets as at September 30, 2018:-

(₹ in millions)

Category of fixed assets	Opening Gross Block	Additions	Deletions	Closing Gross Block	Opening Accumulated Depreciation	Depreciation for the year	Deductions	Closing Accumulated Depreciation	Closing Net Block

Restated schedule of Fixed Assets as at March 31, 2017:-

(₹ in millions)

Category of fixed assets	Opening Gross Block	Additions	Deletions	Closing Gross Block	Opening Accumulated Depreciation	Depreciation for the year	Deductions	Closing Accumulated Depreciation	Closing Net Block
Furniture & Fittings	86.41	7.70	9.18	**84.93**	70.10	7.79	8.87	**69.02**	**15.91**
Leasehold Improvements	62.89	13.78	2.87	**73.80**	39.23	7.28	1.26	**45.25**	**28.55**
Information Technology Equipment	286.36	29.96	18.13	**298.19**	226.36	39.19	17.76	**247.79**	**50.40**
Intangible Asset (Computer Software)	577.71	95.51	17.56	**655.66**	406.04	87.14	17.29	**475.89**	**179.77**
Vehicles	0.93	-	0.65	**0.28**	0.93	-	0.65	**0.28**	**-**
Office Equipment	213.13	14.27	18.00	**209.40**	166.12	21.78	17.16	**170.74**	**38.66**
Plant & Machinery	5.84	-	1.33	**4.51**	5.63	0.14	1.33	**4.44**	**0.07**
Capital WIP	20.32	8.39	20.33	**8.38**	-	-	-	**-**	**8.38**
Total	**1,253.59**	**169.61**	**88.05**	**1,335.15**	**914.41**	**163.32**	**64.32**	**1,013.41**	**321.74**

Restated schedule of Fixed Assets as at March 31, 2016:-

(₹ in millions)

Category of fixed assets	Opening Gross Block	Additions	Deletions	Closing Gross Block	Opening Accumulated Depreciation	Depreciation for the year	Deductions	Closing Accumulated Depreciation	Closing Net Block
Furniture & Fittings	76.30	11.41	1.30	**86.41**	50.63	20.45	0.98	**70.10**	**16.31**
Leasehold Improvements	53.19	9.79	0.09	**62.89**	33.03	6.22	0.02	**39.23**	**23.66**
Information Technology Equipment	245.72	45.31	4.67	**286.36**	188.27	42.36	4.27	**226.36**	**60.00**
Intangible Asset (Computer Software)	620.55	72.10	114.94	**577.71**	439.24	81.27	114.47	**406.04**	**171.67**
Vehicles	0.93	-	-	**0.93**	0.90	0.03	-	**0.93**	**-**
Office Equipment	206.92	16.46	10.25	**213.13**	151.71	23.74	9.33	**166.12**	**47.01**
Plant & Machinery	6.85	-	1.01	**5.84**	6.37	0.27	1.01	**5.63**	**0.21**
Capital WIP	8.96	20.33	8.97	**20.32**	-	-	-	**-**	**20.32**
Total	**1,219.42**	**175.40**	**141.23**	**1,253.59**	**870.15**	**174.34**	**130.08**	**914.41**	**339.18**

Reliance General Insurance Company Limited
Registration No. and Date of Registration with the IRDA:Regn No 103 Dated 23rd October 2000

Annexure - XXIV: Restated Statement of Capitalisation

(₹ in millions)

Particulars	Pre issue as at September 30, 2018
Debt:	
Short term borrowings	500.00
Long term borrowings (including current maturity, if any)	2,300.00
Total debt (A)	**2,800.00**
Shareholders Funds:	
Equity Share Capital	2,515.50
Reserves and Surplus	12,517.15
Money received against share warrants	-
Total Shareholders Funds (B)	**15,032.65**
Long term Debt/Equity Ratio	**0.15**

Notes:
1) The above has been computed on the basis of the restated statements of assets and liabilities of the company as on September 30, 2018.
2) The company is proposing to have public issue of shares comprising of offer for sale by promoters and issue of new equity shares.

The corresponding post IPO capitalisation data for each of the above amounts given in the table is not determinable at this stage pending the completion of book building process and hence, the same have not been provided in the above statement.

OTHER FINANCIAL INFORMATION

1. The audited financial statements of our Company as at and for the year ended March 31, 2018, March 31, 2017, and March 31, 2016 and the reports thereon dated April 19, 2018, April 22, 2017 and April 29, 2016, respectively (**Audited Financial Statements)** are available at https://www.reliancegeneral.co.in/Insurance/About-Us/Annual-Report.aspx?type=AnnualReport. Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company, or any entity in which its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any GCBRLMs or BRLMs or the Promoter Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

2. The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As on/ For the half year ended September 30, 2018	As on/ For the half year ended September 30, 2017	As on/ For the year ended March 31, 2018	As on/ For the year ended March 31, 2017	As on/ For the year ended March 31, 2016
Basic Earnings per Share (₹)	4.5	3.61	6.56	5.12	4.11
Diluted Earnings per Share (₹) (Refer note 1)	4.5	3.61	6.56	5.12	3.96
Return on Net Worth Ratio (Refer note 2)	7.50%	6.80%	11.70%	10.30%	9.00%
Net Asset Value Per Share (₹) (Refer note 1)	59.76	52.91	55.86	49.6	43.96
Net Asset Value Per Share considering dilutive potential equity shares (₹) (Refer note 1)	59.67	52.91	55.86	49.6	43.96
Earnings before interest, tax, depreciation and amortisation (EBITDA) (₹ in millions)	1,339.31	1,097.54	2,034.67	1,590.12	1,297.40

1. *Net asset value and EPS has been calculated considering the dilutive potential of the share application money at a value of ₹ 100 per share on post bonus basis for FY16.*
2. *The ratios for the half year ended on September 30, 2018 and September 30, 2017 are not annualised.*

ADDITIONAL DISCLOSURES OF FINANCIAL STATEMENTS UNDER IRDAI CAPITAL REGULATIONS

The following chapter contains additional disclosures to the financial statements as required by the Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015

1. **Gross Premium along with Geographical Segmentation:**

The following table sets forth the geographical distribution (on the basis of the source of origination) of our GDPI for the periods indicated:

(₹ in millions)

Location	For the Half year ended September 30, 2018	For the Year ended March 31, 2018	2017	2016
Andhra Pradesh	281.22	473.75	410.66	323.66
Arunachal Pradesh	12.50	13.53	11.40	13.77
Assam	227.71	320.58	246.54	157.93
Bihar	222.16	380.14	264.47	254.08
Chhattisgarh	111.20	829.86	1,475.80	114.57
Goa	52.00	65.32	28.36	25.93
Gujarat	7,458.53	4,542.01	3,426.70	2,574.06
Haryana	463.01	1,054.15	844.20	657.90
Himachal Pradesh	202.76	308.32	247.84	263.43
Jammu & Kashmir	457.91	525.96	216.68	200.95
Jharkhand	369.81	503.14	398.60	350.14
Karnataka	3,583.25	3,998.82	3,429.22	2,866.23
Kerala	3,861.31	4,359.42	1,375.86	3,512.26
Madhya Pradesh	586.84	771.15	585.83	422.89
Maharashtra	4,809.24	16,377.14	14,801.10	5,959.98
Manipur	0.46	0.64	0.10	0.03
Meghalaya	0.68	1.83	0.69	1.12
Mizoram	0.31	0.57	0.35	0.20
Nagaland	0.49	0.37	0.34	0.35
Orissa	1,895.43	493.79	1,073.43	367.00
Punjab	230.18	392.16	283.90	286.95
Rajasthan	281.23	352.75	380.24	386.19
Sikkim	23.21	4.39	4.13	0.96
Tamil Nadu	2,102.06	2,951.01	2,445.85	2,234.14
Telangana	1,007.58	1,624.39	1,588.52	1,297.46
Tripura	6.19	14.07	9.30	1.15
Uttar Pradesh	1,399.98	3,649.45	1,263.26	1,877.30
Uttarakhand	122.89	225.44	157.14	131.92
West Bengal	3,249.68	3,259.85	1,849.74	1,598.35
Andaman & Nicobar Is.	0.02	0.58	-	0.02
Chandigarh	221.49	680.08	397.34	133.66
Dadra & Nagar Haveli	1.33	2.17	4.42	7.87
Daman & Diu	6.41	0.59	5.85	1.02
Delhi	2,330.00	2,330.96	1,988.86	1,786.64
Lakshadweep	-	-	-	-
Puducherry	110.75	182.41	136.79	106.44
Total	**35,689.82**	**50,690.79**	**39,353.51**	**27,916.55**

2. **Cross Selling**:

For details of our Cross-Selling efforts, please refer to the section titled "*Our Business–Continue to Focus on Product Innovation*" on pages 150.

3. **Distribution Network**:

Sales and Marketing

We employ a product specific, multi-channel approach to market and sell our products. We divide our products and distribution teams into "wholesale", covering corporate and government customers and "retail" covering individuals. Our sales and marketing channels include direct sales (including online), individual agents, brokers and corporate agents including banks.

The following table sets forth our GDPI with respect to each of the channels for the periods indicated:

Distribution Channels	For the Half year ended September 30,		For the Year ended March 31,					
	2018		2018		2017		2016	
	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI	₹ in millions	% of Total GDPI
Direct:								
Digital	529.75	1.5%	832.44	1.6%	589.79	1.5%	416.48	1.5%
Others	15,490.01	43.4%	20,943.80	41.3%	17,163.32	43.6%	7,099.60	25.4%
Direct Total	**16,019.76**	**44.9%**	**21,776.24**	**42.9%**	**17,753.11**	**45.1%**	**7,516.08**	**26.9%**
Broker	8,710.23	24.4%	10,529.34	20.9%	7,479.87	19.0%	5,794.96	20.7%
Corporate Agents:								
Banks Partners	830.60	2.3%	1,506.07	3.0%	576.07	1.5%	522.54	1.9%
Other	1,982.67	5.6%	3,045.44	6.0%	1,040.63	2.6%	1,282.61	4.6%
Corporate Agents Total	**2,813.27**	**7.9%**	**4,551.51**	**9.0%**	**1,616.70**	**4.1%**	**1,805.15**	**6.5%**
Individual Agents	6,881.35	19.3%	13,249.69	26.1%	12,503.83	31.8%	12,800.36	45.9%
Other-IMF	4.04	0.0%	3.57	0.0%	-	-	-	-
Other- MISP	669.14	1.9%	481.02	0.9%	-	-	-	-
Other-POS	592.03	1.6%	99.42	0.2%	-	-	-	-
Total	**35,689.82**	**100.0%**	**50,690.79**	**100.0%**	**39,353.51**	**100.0%**	**27,916.55**	**100.0%**

4. **Operating Expense Ratio:**

The following table sets out our operating expense ratio:

Period	Operating expenses ₹ in millions	Net Written Premium ₹ in millions	Operating Expense Ratio
Half year ended September 30, 2018	4,482.30	20,963.89	21.4%
Financial Year 2018	8,893.94	31,635.45	28.1%
Financial Year 2017	7,941.04	22,313.47	35.6%
Financial Year 2016	6,543.22	20,211.26	32.4%

Notes

4.1. Operating expense ratio = Operating expenses /Net written premium
4.2. Operating expense – See “Financial Statements - Annexure XII” on page 292
4.3. Net Written Premium – See “Financial Statements - Annexure IX” on page 286

5. **Investment Yield (weighted based on closing portfolio):**

The following table sets forth details of investment yield (weighted based on closing portfolio) for the periods indicated:

Particulars	For the Half year ended September 30, 2018	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Portfolio Yield	7.9%	7.8%	8.0%	8.6%

6. **Investment by Sectors:**

Exposure to Industry By Sector (Equity and Bonds)	As at September 30, 2018		As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	₹ in millions	% of total investment	₹ in millions	% of total investment	₹ in millions	% of total investments	₹ in millions	% of total investments
Financial and Insurance	19,732.12	22.8%	18,462.78	23.1%	16,685.04	24.8%	13,335.01	24.8%
Housing Sector	10,815.05	12.5%	9,240.52	11.6%	8,522.57	12.7%	7,727.07	14.4%
Infrastructure	9,364.41	10.8%	7,140.90	8.9%	7,199.48	10.7%	5,096.65	9.5%
Others	46,587.16	53.9%	45,144.44	56.4%	34,835.57	51.8%	27,655.00	51.3%
Total Investments*	**86,498.74**	**100.0%**	**79,988.64**	**100.0%**	**67,242.66**	**100.0%**	**53,813.73**	**100.0%**

** Investments in bonds are at book value and investments in equity and mutual funds are at market value.*

7. **Reinsurance and Reinsurance Strategy:**

For the Half year ended September 30, 2018

(All figures in ₹ million unless otherwise mentioned)

Reinsurance Placements	Number of Reinsurers	Premium Ceded to Reinsurers								
		Proportional Treaties			Non-Proportional Treaties				Facultative	
		Obligatory	Others	Others	Excess of Loss	Excess of Loss	Stop Loss	Stop Loss	Others	Others
		(In India)	(In India)	(Outside India)	(In India)	(Outside India)	(In India)	(Outside India)	(In India)	(Outside India)
Rating AAA and above	-	-	-	-	-	-	-	-	-	-
Rating AA but less than AAA	17	-	-	28.52	-	6.86	-	-	-	53.19
Rating A but less than AA	128	1,909.45	7,608.46	1,019.53	161.63	69.70	125.53	121.67	219.60	432.06
Rating BBB but less than A	12	-	-	950.64	-	19.43	-	28.78	-	15.30
Rating but less than BBB	4	-	-	0.66	-	0.01	-	-	-	10.03
Indian Reinsurers other than GIC	22	-	1,525.49	-	44.24	-	22.16	-	621.70	0.28
Total	**183**	**1,909.45**	**9,133.95**	**1,999.35**	**205.87**	**96.00**	**147.69**	**150.45**	**841.30**	**510.86**

For the year ended March 31, 2018

(All figures in ₹ million unless otherwise mentioned)

Reinsurance Placements	Number of Reinsurers	Premium Ceded to Reinsurers								
		Proportional Treaties			Non-Proportional Treaties				Facultative	
		Obligatory	Others	Others	Excess of Loss	Excess of Loss	Stop Loss	Stop Loss	Others	Others
		(In India)	(In India)	(Outside India)	(In India)	(Outside India)	(In India)	(Outside India)	(In India)	(Outside India)
Rating AAA and above	1	-	-	0.30	-	-	-	24.46	-	-
Rating AA but less than AAA	20	-	-	58.91	-	6.57	-	7.65	-	366.52
Rating A but less than AA	119	2,376.79	10,050.39	945.07	255.47	115.35	234.62	58.10	331.82	733.02
Rating BBB but less than A	15	-	-	1,156.61	-	27.46	-	53.60	-	37.49
Rating but less than BBB	3	-	-	1.02	-	0.01	-	-	-	0.07
Indian Reinsurers other than GIC	22	-	1,617.37	-	50.55	-	9.17	-	1,069.29	-
Total	**180**	**2,376.79**	**11,667.76**	**2,161.91**	**306.02**	**149.39**	**243.79**	**143.81**	**1,401.11**	**1,137.10**

For the Year ended March 31, 2017

(All figures in ₹ million unless otherwise mentioned)

Reinsurance Placements	Number of Reinsurers	Premium Ceded to Reinsurers								
		Proportional Treaties			Non-Proportional Treaties				Facultative	
		Obligatory	Others	Others	Excess of Loss	Excess of Loss	Stop Loss	Stop Loss	Others	Others
		(In India)	(In India)	(Outside India)	(In India)	(outside India)	(In India)	(outside India)	(In India)	(Outside India)
Rating AAA and above	1	-	-	0.49	-	-	-	34.57	-	-
Rating AA but less than AAA	16	-	-	890.24	-	24.99	-	267.68	-	278.73
Rating A but less than AA	142	1,929.86	9,631.50	1,433.01	173.53	100.98	214.35	34.57	277.03	1,110.55
Rating BBB but less than A	19	-	-	883.00	-	34.58	-	58.31	-	183.95
Rating but less than BBB	1	-	-	1.80	-	0.09	-	-	-	-

Reinsurance Placements	Number of Reinsurers	Premium Ceded to Reinsurers								
		Proportional Treaties				Non-Proportional Treaties			Facultative	
		Obligatory	Others	Others	Excess of Loss	Excess of Loss	Stop Loss	Stop Loss	Others	Others
		(In India)	(In India)	(Outside India)	(In India)	(outside India)	(In India)	(outside India)	(In India)	(Outside India)
Indian Reinsurers other than GIC	15	-	0.05	-	-	-	-	-	193.60	-
Total	**194**	**1,929.86**	**9,631.55**	**3,208.54**	**173.53**	**160.64**	**214.35**	**395.13**	**470.63**	**1,573.23**

For the Year ended March 31, 2016

(All figures in ₹ million unless otherwise mentioned)

Reinsurance Placements	Number of Reinsurers	Premium Ceded to Reinsurers								
		Proportional Treaties				Non-Proportional Treaties			Facultative	
		Obligatory	Others	Others	Excess of Loss	Excess of Loss	Stop Loss	Stop Loss	Others	Others
		(In India)	(In India)	(Outside India)	(In India)	(outside India)	(In India)	(outside India)	(In India)	(Outside India)
Rating AAA and above	1	-	-	1.37	-	-	-	-	-	-
Rating AA but less than AAA	17	-	-	319.53	-	23.48	-	1.25	-	315.87
Rating A but less than AA	143	1,367.43	3,718.58	476.87	161.00	75.33	3.33	0.83	247.69	730.18
Rating BBB but less than A	21	-	-	377.00	-	108.07	-	2.91	-	73.72
Rating but less than BBB	1	-	-	3.47	-	0.01	-	-	-	-
Indian Reinsurers other than GIC	16	-	1.73	-	-	-	-	-	459.82	-
Total	**199**	**1,367.43**	**3,720.31**	**1,178.24**	**161.00**	**206.89**	**3.33**	**4.99**	**707.51**	**1,119.77**

8. **Reinsurance Balances outstanding - age wise:**

(All figures in ₹ million unless otherwise mentioned)

Year	0-30 Days *	31-60 Days	61-90 Days	91-180 Days	181-365 Days	More than 365 Days	Grand Total
Fiscal Year 2016	1,374.22	327.32	(79.20)	102.35	(133.50)	402.09	**1,993.28**
Fiscal Year 2017	1,448.17	(280.31)	217.05	(90.69)	(4.94)	353.26	**1,642.54**
Fiscal Year 2018	2,516.24	124.19	(205.27)	(779.03)	914.73	(225.02)	**2,345.84**
H1 2018-19	2,255.10	(42.05)	(95.12)	(15.63)	(75.42)	337.08	**2,363.96**

* *Including amounts not due.*

9. **Maximum Probable Loss Ratio:**

Probable Maximum Loss ("PML") is the maximum loss that an insurer would be expected to incur on a policy. The probable maximum loss represents the worst-case scenario for an insurer. We track our reinsurance exposures on both a sum-insured basis and a PML basis.

10. **IBNR / IBNER (Net):**

(₹ in millions)

Particulars	For the Half Year ended September 30, 2018	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Fire	195.00	196.05	126.34	154.80
Marine Cargo	122.07	110.46	116.78	81.78
Marine Hull	0.68	2.33	0.01	0.39
Motor OD	799.67	612.21	290.78	432.14
Motor TP	26,671.13	25,334.66	20,336.02	16,444.78
Public Liability	49.12	45.84	29.55	9.92
Engineering	38.08	32.46	35.17	65.75
Aviation	0.12	0.21	0.48	0.23
Personal Accident	160.55	162.03	146.61	88.04
Health	990.63	860.07	281.06	600.67
Weather and Crop	1,824.11	2,427.20	1,155.57	69.74
Other Miscellaneous	38.09	42.01	78.89	80.09
Employer's Liability	92.15	90.70	66.75	11.74

11. **Claims Outstanding (Gross)*[11]:**

Claims Outstanding for the Half year ended September 30, 2018 (₹ in million)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the half year	4,005.21	946.88	93.63	682.46	689.20	15,918.11	1,490.36	267.29	189.74	2,215.66	26,498.54
Claims intimated/ Booked during the half year	396.15	301.43	0.85	120.27	3,789.15	1,939.17	4,273.14	136.78	37.04	6,385.88	17,379.86
Claims Settled during the half year	812.21	260.04	1.50	115.09	4,226.65	3,788.93	3,722.09	106.84	25.37	6,013.96	19,072.68
Claims Repudiated during the half year	36.85	8.59	-	10.70	51.86	0.45	608.94	48.06	4.63	7.83	777.91
Claims Outstanding at the end of the half year	4,432.15	1,306.43	197.16	1,531.41	1,076.53	16,497.62	1,972.62	236.83	213.60	2,237.70	29,702.05
Age-wise details of the outstanding claims											
0-3 months	426.31	806.53	0.64	57.13	670.99	885.87	1,875.76	46.33	20.12	607.28	5,396.96
3-6 months	588.39	184.01	0.06	901.89	200.24	684.84	36.21	32.77	13.17	54.83	2,696.41
6-12 months	845.50	32.99	34.01	62.34	86.93	1,524.63	32.56	40.20	29.94	28.43	2,717.53
1 year to 3 year	2,276.93	56.80	162.43	251.76	40.81	4,255.53	17.35	89.03	75.93	400.48	7,627.05
3 year to 5 year	206.66	198.96	-	246.45	25.85	3,182.81	6.24	10.82	41.60	247.81	4,167.20
5 year and above	88.37	27.13	0.03	11.83	51.71	5,963.93	4.50	17.67	32.84	898.86	7,096.87

Claims Outstanding for the Half year ended September 30, 2018 (Number of cases)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the half year	795	544	16	1,046	14,392	64,826	175,927	2,052	1,226	1,683	262,507
Claims intimated/ Booked during the half year	1,220	2,518	6	527	134,205	7,925	492,605	1,167	349	337,558	978,080
Claims Settled during the half year	732	2,240	3	397	126,091	8,226	416,165	825	118	326,089	880,886
Claims Repudiated during the half year	140	60	-	54	2,348	102	62,768	455	19	145	66,091
Claims Outstanding at the end of the half year	1,143	762	19	1,122	20,158	64,423	189,599	1,939	1,438	13,007	293,610
Age-wise details of the outstanding claims											
0-3 months	367	382	2	131	15,445	3,237	188,061	309	152	4,133	212,219
3-6 months	167	85	3	75	2,108	2,818	629	201	123	3,184	9,393
6-12 months	189	41	10	34	814	6,203	298	340	196	4,368	12,493
1 year to 3 year	243	176	3	281	587	17,127	412	782	634	600	20,845
3 year to 5 year	125	45	-	554	400	12,030	64	105	247	211	13,781
5 year and above	52	33	1	47	804	23,008	135	202	86	511	24,879

[11] *Claim settled include paid and closed during the half year.*

Claims Outstanding for the year ended March 31, 2018 (₹ in million)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	5,449.42	1,083.59	1.87	802.83	816.60	15,358.07	841.11	410.12	149.47	2,424.27	27,337.35
Claims intimated/ Booked during the year	1,777.25	872.24	0.25	252.40	6,194.66	4,109.72	7,094.73	278.39	62.74	3,481.91	24,124.29
Claims Settled during the year	3,107.55	655.91	35.90	740.63	6,596.76	7,404.23	6,574.90	372.47	58.09	4,004.40	29,550.84
Claims Repudiated during the year	140.37	14.27	-	52.63	109.99	550.81	1,016.61	134.27	7.45	22.49	2,048.89
Claims Outstanding at the end of the year	4,005.21	946.88	93.63	682.46	689.20	15,918.11	1,490.36	267.29	189.74	2,215.66	26,498.54
Age-wise details of the outstanding claims											
0-3 months	458.54	58.29	16.66	83.01	340.44	917.43	1,419.86	72.66	13.19	135.33	3,515.41
3-6 months	479.51	33.02	17.52	20.61	133.65	745.90	23.22	28.17	21.51	23.23	1,526.34
6-12 months	873.01	56.27	58.05	91.18	82.13	1,344.22	15.47	39.87	19.71	22.11	2,602.02
1 year to 3 year	1,964.26	735.59	-	427.51	46.21	4,318.40	22.12	97.80	69.48	889.71	8,571.08
3 year to 5 year	144.07	37.48	1.37	49.19	29.10	3,110.06	5.50	8.88	35.88	269.67	3,691.20
5 year and above	85.82	26.24	0.03	10.96	57.68	5,482.10	4.19	19.92	29.98	875.61	6,592.53

Claims Outstanding for the year ended March 31, 2018 (Number of cases)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	830	1,018	4	1,095	14,064	68,047	45,072	2,768	958	1,856	135,712
Claims intimated/ Booked during the year	1,791	5,782	25	1,056	229,282	18,013	943,954	2,415	536	235,287	1,438,141
Claims Settled during the year	1,536	6,094	13	912	223,855	18,027	763,244	2056	224	235,116	1,251,077
Claims Repudiated during the year	291	162	-	193	5,099	3,207	49,855	1,075	44	344	60,270
Claims Outstanding at the end of the year	795	544	16	1,046	14,392	64,826	175,927	2,052	1,226	1,683	262,507
Age-wise details of the outstanding claims											
0-3 months	190	167	8	79	9,836	3,564	174,810	348	122	204	189,328
3-6 months	100	52	3	34	1,891	3,153	356	204	113	91	5,997
6-12 months	104	68	3	64	817	5,625	221	337	141	95	7,475
1 year to 3 year	298	215	-	792	630	17,959	342	806	656	557	22,255
3 year to 5 year	56	9	1	33	407	12,036	50	107	119	255	13,073
5 year and above	47	33	1	44	811	22,489	148	250	75	481	24,379

Claims Outstanding for the Year ended March 31, 2017(₹ in million)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	2,293.02	464.26	41.37	762.47	1,058.70	14,657.60	1,096.48	282.72	112.75	2,880.94	23,650.31

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Intimated/ Booked during the year	1,643.45	926.30	0.03	1,693.85	5,262.58	4,266.31	3,168.30	434.41	41.87	202.49	17,639.59
Claims Settled during the year	1,837.17	515.07	36.70	351.31	5,687.12	7,033.25	3,909.24	612.75	50.02	3,949.22	23,981.85
Claims Repudiated during the year	4.00	15.07	-	2.50	147.27	745.30	390.79	154.27	4.47	6.37	1,470.04
Claims Outstanding at the end of the year	5,449.42	1,083.59	1.87	802.83	816.60	15,358.07	841.11	410.12	149.47	2,424.27	27,337.35
Age-wise details of the outstanding claims											
0-3 months	1,769.92	70.13	0.01	60.16	371.18	888.78	714.43	110.83	8.46	158.47	4,152.37
3-6 months	741.13	174.28	-	78.69	156.68	669.32	11.56	96.49	8.59	15.52	1,952.26
6-12 months	1,776.92	44.37	0.19	231.46	121.10	1,395.51	18.49	65.26	28.14	357.05	4,038.49
1 year to 3 year	996.44	726.50	0.26	299.56	67.78	4,568.93	84.46	100.72	57.20	866.63	7,768.48
3 year to 5 year	81.58	42.25	1.37	124.85	49.60	3,675.35	8.86	17.46	25.78	242.17	4,269.27
5 year and above	83.44	26.05	0.04	8.12	50.26	4,160.18	3.31	19.37	21.31	784.43	5,156.51

Claims Outstanding for the Year ended March 31, 2017 (Number of cases)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	673	558	4	879	18,206	70,836	118,606	2,673	666	1,246	214,347
Claims Intimated/ Booked during the year	1,506	6,076	5	1,097	219,129	20,044	190,921	4,330	640	3,793	447,541
Claims Settled during the year	1,313	5,315	5	869	216,011	18,578	249,069	3,524	302	3,023	498,009
Claims Repudiated during the year	36	301	-	12	7,260	4,255	15,386	711	46	160	28,167
Claims Outstanding at the end of the year	830	1,018	4	1,095	14,064	68,047	45,072	2,768	958	1,856	135,712
Age-wise details of the outstanding claims											
0-3 months	162	326	1	104	9,313	3,838	44,063	532	104	323	58,766
3-6 months	152	201	-	212	1,711	2,971	300	385	96	148	6,176
6-12 months	179	237	-	119	845	6,454	145	482	226	381	9,068
1 year to 3 year	253	200	-	585	799	19,968	303	891	408	300	23,707
3 year to 5 year	33	26	1	54	690	14,893	97	254	85	438	16,571
5 year and above	51	28	2	21	706	19,923	164	224	39	266	21,424

Claims Outstanding for the Year ended March 31, 2016 (₹ in million)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	1,622.84	602.75	4.72	1,265.54	1,274.75	13,304.80	667.47	268.38	72.76	2,238.02	21,322.03
Claims Intimated/ Booked during the year	1,560.47	506.80	-	602.71	5,432.61	4,276.72	5,118.95	406.22	44.34	79.84	18,028.66
Claims Settled during the year	1,513.22	550.09	17.08	761.34	5,163.96	6,406.44	5,200.35	547.08	38.67	2,218.57	22,416.80
Claims Repudiated during the year	15.98	14.59	-	8.46	192.74	536.72	543.64	221.58	5.17	5.32	1,544.20
Claims Outstanding at the end of the year	2,293.02	464.26	41.37	762.47	1,058.70	14,657.60	1,096.48	282.72	112.75	2,880.94	23,650.31
Age-wise details of the outstanding claims											
0-3 months	374.99	51.28	-	56.15	457.88	908.26	952.09	100.53	10.85	646.42	3,558.45
3-6 months	854.59	82.07	-	34.03	211.94	751.49	25.97	42.08	10.12	101.67	2,113.96

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
6-12 months	484.13	229.52	39.96	389.07	159.41	1,585.13	41.81	58.33	22.02	121.16	3,130.54
1 year to 3 year	468.99	50.07	1.37	254.06	107.10	4,592.25	69.02	52.85	38.30	1,121.79	6,755.80
3 year to 5 year	52.27	43.77	-	24.74	82.87	4,359.66	4.04	11.14	27.82	163.95	4,770.26
5 year and above	58.05	7.55	0.04	4.42	39.49	2,460.81	3.56	17.79	3.65	725.97	3,321.33

Claims Outstanding for the Year ended March 31, 2016 (Number of cases)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	522	404	4	842	14,446	70,249	37,244	3,152	316	1,142	128,321
Claims Intimated/ Booked during the year	1,597	3,257	2	1,858	195,036	20,975	686,446	4,054	607	1,638	915,470
Claims Settled during the year	1,328	2,916	2	1,785	184,443	17,110	556,386	3,622	231	1,422	769,245
Claims Repudiated during the year	117	187	0	36	6,815	3,277	48,700	924	31	112	60,199
Claims Outstanding at the end of the year	673	558	4	879	18,206	70,836	118,606	2,673	666	1,246	214,347
Age-wise details of the outstanding claims											
0-3 months	156	231	-	113	11,624	4,064	117,757	526	109	289	134,869
3-6 months	137	141	-	60	2,676	3,527	163	303	109	49	7,165
6-12 months	179	108	1	585	1,293	7,526	126	468	195	28	10,509
1 year to 3 year	121	30	1	58	1,045	21,430	237	898	160	333	24,313
3 year to 5 year	33	27	-	50	1,052	20,392	178	259	72	445	22,508
5 year and above	47	21	2	13	516	13,897	145	219	21	102	14,983

Claims Outstanding for the Year ended March 31, 2015 (₹ in million)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	1,456.72	248.12	3.66	1,450.94	1,731.59	12,485.35	774.41	188.87*	67.63	1,143.27*	19,550.56
Claims Intimated/ Booked during the year	810.09	216.00	0.20	372.46	4,993.29	3,655.23	4,989.85	296.94	67.88	72.55	15,474.49
Claims Settled during the year	1,215.50	544.95	2.03	953.94	5,981.61	5,798.87	5,430.81	506.83	69.90	1,250.49	21,754.93
Claims Repudiated during the year	50.55	12.35	-	112.56	191.03	-	519.32	86.08	1.11	4.60	977.60
Claims Outstanding at the end of the year	1,622.84	602.75	4.72	1,265.54	1,274.75	13,304.80	667.47	268.38	72.76	2,238.02	21,322.03
Age-wise details of the outstanding claims											
0-3 months	246.02	25.19	-	117.48	536.21	825.82	362.00	73.19	5.83	90.78	2,282.52
3-6 months	223.16	76.12	-	106.44	248.78	774.29	82.53	43.26	8.00	605.16	2,167.74
6-12 months	251.90	55.45	3.25	368.17	190.06	1,312.63	91.71	51.51	12.82	308.12	2,645.62
1 year to 3 year	798.03	365.62	1.37	645.72	183.56	5,155.64	115.84	70.45	24.39	438.90	7,799.52
3 year to 5 year	89.50	77.05	0.11	27.09	115.90	3,857.20	15.20	17.86	17.69	792.95	5,010.55
5 year and above	14.23	3.32	-	0.64	0.23	1,379.22	0.20	12.11	4.04	2.11	1,416.10

**We have reclassified and regrouped some products due to which there is a difference in opening and closing claims outstanding for the year ended March 31, 2015 and for the year ended March 31, 2014 in Personal Accidents& Miscellaneous classes.*

Claims Outstanding for the Year ended March 31, 2015 (Number of cases)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the	457	458	5	775	14,956	69,391	67,058	*2810	251	*1156	157,317

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
start of the year											
Claims Intimated/ Booked during the year	1,304	1,734	3	748	164,200	19,139	683,173	4,034	449	1,340	876,124
Claims Settled during the year	1,160	1,692	4	625	162,157	18,281	664,877	3,370	372	1,300	853,836
Claims Repudiated during the year	79	96	-	56	2,553	-	48,110	322	14	54	51,284
Claims Outstanding at the end of the year	522	404	4	842	14,446	70,249	37,244	3,152	316	1,142	128,321
Age-wise details of the outstanding claims											
0-3 months	98	117	-	85	8,937	4,129	19,696	577	58	106	33,803
3-6 months	84	53	-	82	1,775	3,926	1,659	361	52	61	8,053
6-12 months	134	60	2	152	918	6,495	3,383	503	51	138	11,836
1 year to 3 year	150	116	1	461	1,491	25,104	12,190	1,325	104	521	41,463
3 year to 5 year	52	50	1	56	1,321	21,754	314	377	38	290	24,253
5 year and above	4	8	-	6	4	8,841	2	9	13	26	8,913

**We have reclassified and regrouped some products due to which there is a difference in opening and closing claims outstanding for the year ended March 31, 2015 and for the year ended March 31, 2014 in Personal Accidents& Miscellaneous classes.*

Claims Outstanding for the Year ended March 31, 2014 (₹ in million)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	1,234.45	255.45	7.94	621.55	1,876.16	10,720.53	526.15	124.28	42.99	1,089.80	16,499.30
Claims Intimated/ Booked during the year	4,167.04	1,581.22	4.42	6,652.87	4,530.34	3,345.83	4,666.03	342.07	66.40	488.54	25,844.76
Claims Settled during the year	1,142.42	334.79	9.93	720.61	6,729.40	4,411.43	4,954.29	218.23	50.69	544.24	19,116.03
Claims Repudiated during the year	-	-	-	-	-	-	409.32	-	-	-	409.32
Claims Outstanding at the end of the year	1,456.72	248.12	3.66	1,450.94	1,731.59	12,485.35	774.41	164.62	67.63	1,167.52	19,550.56
Age-wise details of the outstanding claims											
0-3 months	538.15	51.15	-	241.88	710.63	813.59	578.66	35.68	12.59	92.80	3,075.13
3-6 months	188.91	60.20	1.37	520.03	330.70	667.40	53.70	24.83	6.66	38.71	1,892.51
6-12 months	425.84	12.76	0.09	419.29	288.19	1,512.32	58.04	25.02	13.23	95.32	2,850.10
1 year to 3 year	225.40	110.21	-	266.80	312.00	6,319.92	63.72	54.88	28.69	196.26	7,577.88
3 year to 5 year	78.42	13.80	2.20	2.63	89.84	2,517.33	20.17	23.83	4.16	742.60	3,494.98
5 year and above	-	-	-	0.33	0.25	654.79	0.12	0.37	2.31	1.84	660.01

Claims Outstanding for the Year ended March 31, 2014 (Number of cases)

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
Claims Outstanding at the start of the year	358	362	5	480	16,150	66,709	295,291	1,831	187	1,583	382,956
Claims Intimated/ Booked during the year	1,161	1,779	29	1,076	156,455	17,998	1,078,231	2,575	382	2,056	1,261,742
Claims Settled during the year	1,062	1,683	29	781	157,649	15,316	1,236,254	1,942	318	2,137	1,417,171
Claims Repudiated during the year	-	-	-	-	-	-	70,210	-	-	-	70,210
Claims Outstanding at the end of the year	457	458	5	775	14,956	69,391	67,058	2,464	251	1,502	157,317
Age-wise details											

Particulars	Fire	Marine Cargo	Marine Hull	Engineering	Motor OD	Motor TP	Health	Personal Accident	Liability Insurance	Other miscellaneous	Total
of the outstanding claims											
0-3 months	164	185	-	185	8,922	4,236	54,062	485	61	268	68,568
3-6 months	79	53	1	145	1,972	3,395	3,347	307	32	132	9,463
6-12 months	76	50	1	168	1,326	7,511	8,222	437	44	145	17,980
1 year to 3 year	104	149	-	261	1,900	33,027	1,155	1,031	87	744	38,458
3 year to 5 year	34	21	3	15	833	16,526	271	203	20	194	18,120
5 year and above	-	-	-	1	3	4,696	1	1	7	19	4,728

12. **Awards given by Ombudsman against our Company for last 3 Years:**

The Insurance Ombudsman passed 108 awards against our Company in the last three years of which all 108 awards are closed and complied by our company as on September 30, 2018.

13. **Interest Rate Sensitivity:**

As a general insurance company, most of our Company's liabilities and payments are not guaranteed or based on investment returns of the assets. Hence for us, the interest rate risk is not so significant. However, on the liability side, our subordinated debt issuance of our Company carries an interest rate risk.

On the asset side, our Company invests in various debt securities ranging from central government securities, state government, debentures, tax free securities and money market instruments. For interest rate sensitivity of such debt securities, our Company carries out various scenario testing to analyse the sensitivity of the portfolio with respect to interest rate movements. The results of the stress test are placed before the Asset Liability Committee of our Company on regular basis for review.

14. **Manner of Arriving at Unrealized Gains / Losses:**

As per IRDAI Preparation of Financial Statements Regulations all insurers are required to fair value equity and mutual funds. All listed equity securities traded in the active markets shall be measured at fair value on the balance sheet date. Measurement for the purpose of calculation of fair value shall be the last quoted closing price on the NSE. However, in case of any stock not being listed on the NSE, the insurer may value the equity based on the last quoted closing price in BSE. All mutual funds and AIFs are valued at latest available Net Asset Values.

The cost is computed on volume weighted average basis. The purchase price in case of equity is computed after capitalising brokerage and other transaction cost and taxes on such transactions.

The NAV at which the mutual fund instrument is purchased forms the purchase price for such mutual fund. The unrealised gain is the difference between fair value and book cost.

All the debt securities including government securities, debentures / bonds, certificate of deposits, commercial papers are valued at cost subject to amortisation.

15. **Solvency Ratio:**

Particulars	For the Half year ended September 30	For the Year ended March 31,		
	2018	2018	2017	2016
Solvency ratio	1.71	1.68	1.68	1.55

16. **Agent Productivity:**

Particulars	For the Half year ended September 30, 2018	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Premium per employee (₹ in million)	13.06	21.12	17.96	13.38
Number of policies (actuals)	2,972,177	4,724,061	4,096,938	3,912,411

Grievance disposal rate (in days)	4.24	4.87	6.00	8.00
Agent productivity* (₹ in million)	0.24	0.51	0.55	0.69

* *Gross direct premium from agency/ micro-office channel to average number of agents/ micro-offices.*

17. **Certification by Auditor Solvency Margin and IBNR Reserves:**

Please refer to serial number 18 in the section titled *"Material Contracts and Documents For Inspection"* on page 429.

18. **Details of Experience Analysis: Adequacy of Premiums, Reserves, Assets Liability Management disclosed:**

18.1. Premium Adequacy

Our Company's approach to pricing is consistent from the previous year. The pricing strategy varies from product to product. Generally, the implicit risk relativity in erstwhile tariff tables provides the initial bases for the final premium charged for all exposures. The final rate is a combination of the exposure's loss experience and the erstwhile tariff for all lines except Motor TP where rates follow the prevailing tariff.

Retail Product Strategy: The premium for retail products sold to individual customers are required to be as per the rate charts filed for the given product with IRDAI at the time of the product approval. Generally speaking, the starting point of such pricing (at the time of filing with IRDAI) are earlier determined based on erstwhile tariff structure with some loading / discounts for certain risk characteristics of the proposal that reflects our Company's understanding of the risk and the marketing requirements. More recently, in the last few years with internal data and experience being more evolved, the approach to pricing is further improved and apart from the erstwhile tariff structure, the pricing also reflects the results of detailed analysis of the experience of the underlying portfolio.

Premiums charged by our Company are aimed to cover the claims cost and other costs such as commission, general expenses and profit margins on a portfolio basis.

Commercial Insurance products: In essence the pricing for the commercial products are similar to the retail products but the pricing is done more on an account by account basis i.e. the individual risk characteristics and the loss experience are given more importance. This is because the risk characteristics of the commercial customers are more heterogeneous in nature than the retail customers.

However, as in the retail portfolio, the pricing is well controlled as per the approvals provided by IRDAI at the time of filing of the product. Premiums charged by our Company, in this case too, are aimed to cover the claims cost and other costs such as commission, general expenses and profit margins on the portfolio basis.

Internally, the underwriting authority and the underwriting policy are followed to control the pricing process.

18.2. Reserving Adequacy

In general, our Company's various businesses are well established in terms of product construct, underwriting and claim settlement practices. Hence the historical data is found to be representative in estimating future losses with appropriate adjustments where necessary.

As an exception to this, the motor TP business where given the lack of any year which has run-off completely, our Company has to make significant future extrapolation of losses to estimate ultimate losses. However, the actual development is tracked with respect to assumptions and any deviations from assumptions are addressed. The reserves are held on a best estimate basis i.e. they reflect past average. This means that the future experience can prove that today's reserve can be either is adequate or inadequate with equal chance of both being adequate and inadequate.

18.3. Analysis of the Portfolio from an ALM perspective

The actuarial team prepares the quarterly ALM of our Company along with the investment (mid-office) team and the results are presented to our Company's management / ALCO committee. The effects of mismatches are discussed. Cash requirements are forecasted and offset against premium receipts and inward cash flows from investments. Our Company did not face any cash flow issues in for the year ended March 31, 2018.

Our Company operates on the principle that each Rupee of asset supports each Rupee of liability. Therefore, asset cash-flow is allocated across lines of business in proportion of liability cash-flow. Thus, it must be emphasized that this is only a notional allocation and has no bearing on actual availability of cash or assets per line of business as cash and assets are fungible.

Basis the ALM performed as on March 31, 2018, assets and liabilities are reasonably matched within the framework of prescribed deviation, and hence the asset durations are shorter than the liability duration so as to generate a positive ALM gap. This strategy is adopted because our Company's investment philosophy is to operate on the basis of maximizing total return. Our Company does not have a cash flow matching problem because written premiums together with investment income fill in any undue outflow requirements. Further, liquidity aspect is kept in mind while making investments such that most of the investments can be converted in cash within a reasonable time without significant loss.

The representation of assets in the ALM tabulation depicts the market value of assets in their corresponding duration bucket while the liabilities are represented as cash-flows in run-off basis. This representation is inconsistent with company's investment philosophy of cash-flow matching. Since our Company does not carry any interest rate sensitive liabilities it is not essential for the assets and liabilities to be matched in the manner specified in the ALM tables.

18.4. Analysis of the Current Financial Condition:

For a detailed analysis on our current financial condition, please refer to the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 323.

19. A Comparison of Period-wise Provisions made:

(₹in millions)

Particulars	As at					
	September 30, 2018	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**
1. Reserve for Unexpired Risk	18,663.03	13,603.15	10,524.29	9,101.39	8,884.63	9,071.44
2. For Taxation (less advance tax paid and Tax deducted at source)	64.50	50.73	85.25	26.54	46.72	-
3. For Final Dividends	-	-	-	-	-	-
4. For Dividend distribution tax	-	-	-	-	-	-
5. Reserve for Premium Deficiency	-	-	-	-	-	-
6. Others:						
(a) For Gratuity	28.35	7.13	2.61	2.78	4.18	-
(b) For Leave Encashment	4.67	2.61	22.02	19.21	16.70	14.59
(c) For Risk Reserves	100.00	100.00	100.00	100.00	100.00	100.00
Total	**18,860.55**	**13,763.62**	**10,734.17**	**9,249.92**	**9,052.23**	**9,186.03**

20. Accounting and Other Ratios:

Sl No.	Particulars	As on/ For the half year ended September 30		As on/ For the year ended March 31		
		2018	**2017**	**2018**	**2017**	**2016**
1	Restated Profit / (Loss) after Tax (₹ in millions)	1,133.13	907.88	1,650.03	1,287.28	1,008.53
2	Earnings before interest, tax, depreciation and amortisation (EBITDA) (₹ in millions)	1,339.31	1,097.54	2,034.67	1,590.12	1,297.40
3	Weighted average number of Equity Shares outstanding during the year/period (Refer note 1)	251,549,920	251,549,920	251,549,920	251,549,920	245,549,920
4	Number of Equity Shares outstanding at the end of the year/period	251,549,920	251,549,920	251,549,920	125,774,960	122,774,960

Sl No.	Particulars	As on/ For the half year ended September 30		As on/ For the year ended March 31		
		2018	2017	2018	2017	2016
5	Net Worth (₹ in millions) (Refer note 2)	15,032.65	13,309.00	14,051.15	12,476.81	11,189.53
6	Basic Earnings per Share (₹)	4.50	3.61	6.56	5.12	4.11
	Diluted Earnings per Share (₹) (Refer note 4)	4.50	3.61	6.56	5.12	3.96
7	Net Asset Value Per Share (₹) (Refer note 4)	59.76	52.91	55.86	49.60	43.96
	Net Asset Value Per Share considering dilutive potential equity shares (₹) (Refer note 4)	59.67	52.91	55.86	49.60	43.96
8	Gross Direct Premium Growth Rate					
	Fire	17.3%	21.5%	21.8%	15.4%	36.8%
	Marine- Cargo	10.3%	29.5%	25.7%	6.8%	(0.5%)
	Marine- Others	(4.0%)	378.0%	102.9%	(38.5%)	112.8%
	Marine- Total	7.8%	48.4%	34.6%	(1.6%)	10.4%
	Motor-OD	18.1%	28.5%	25.9%	19.8%	4.8%
	Motor-TP	30.5%	20.3%	27.2%	16.8%	(2.1%)
	Motor- Total	24.5%	24.1%	26.6%	18.2%	1.1%
	Employer's Liability	26.5%	(2.1%)	9.3%	0.0%	17.6%
	Public/Product Liability	(56.5%)	(7.8%)	(3.3%)	17.2%	19.8%
	Engineering	(0.7%)	31.6%	28.0%	1.6%	(21.1%)
	Aviation	54.6%	19.3%	22.6%	20.5%	75.7%
	Personal Accident	95.3%	(19.1%)	(20.9%)	33.1%	(26.9%)
	Health Insurance	30.2%	170.5%	127.1%	(35.9%)	7.1%
	Crop / Weather Insurance	14.4%	(1.2%)	8.4%	867.3%	(29.0%)
	Others	5.8%	(31.0%)	(18.8%)	4.8%	(18.9%)
	Total - Miscellaneous	21.8%	27.1%	29.3%	44.5%	(0.7%)
	Total	21.2%	26.9%	28.8%	41.0%	2.1%
9	Gross Direct Premium to Net Worth Ratio (In Times)	2.37	2.21	3.61	3.15	2.49
10	Growth rate of Net Worth	7.0%	6.7%	12.6%	11.5%	9.9%
11	Net Retention Ratio					
	Fire	27.1%	24.4%	29.1%	23.4%	21.1%
	Marine- Cargo	11.0%	10.9%	9.6%	11.3%	66.3%
	Marine- Others	1.2%	1.1%	0.9%	1.4%	1.8%
	Marine- Total	9.5%	9.2%	8.1%	10.1%	54.7%
	Motor-OD	74.0%	78.9%	78.6%	79.0%	78.8%
	Motor-TP	74.7%	79.6%	79.6%	79.6%	79.7%
	Motor- Total	74.4%	79.3%	79.1%	79.3%	79.3%
	Employer's Liability	95.0%	95.0%	95.0%	95.0%	95.0%
	Public/Product Liability	52.0%	18.4%	27.8%	21.5%	18.3%
	Engineering	30.4%	27.3%	31.0%	34.3%	29.3%
	Aviation	0.6%	1.0%	1.4%	1.9%	2.1%
	Personal Accident	90.4%	87.7%	103.2%	90.3%	89.9%
	Health Insurance	89.0%	88.1%	85.0%	93.4%	93.7%
	Crop / Weather Insurance	21.3%	29.0%	25.9%	15.3%	21.3%
	Others	72.8%	73.9%	78.0%	54.7%	40.7%
	Total – Miscellaneous	62.0%	64.3%	65.4%	59.6%	77.1%
	Total	58.3%	60.0%	61.8%	55.7%	70.5%
12	Net Commission Ratio					
	Fire	(4.2%)	(10.8%)	(3.5%)	(30.2%)	(25.4%)
	Marine- Cargo	(37.9%)	(78.7%)	(77.3%)	(73.5%)	11.2%
	Marine- Others	(186.0%)	(97.7%)	99.2%	478.2%	(26.7%)
	Marine- Total	(40.7%)	(79.1%)	(74.0%)	(64.8%)	11.0%
	Motor-OD	13.8%	3.8%	9.3%	(1.2%)	(0.3%)
	Motor-TP	(1.8%)	(1.6%)	(1.3%)	(1.2%)	(1.2%)
	Motor- Total	5.3%	1.0%	3.8%	(1.2%)	(0.7%)
	Employer's Liability	13.6%	9.6%	10.9%	8.4%	9.0%
	Public/Product Liability	15.7%	(5.4%)	8.5%	(1.5%)	1.2%
	Engineering	(21.0%)	10.4%	9.9%	(6.7%)	(22.9%)
	Aviation	(330.4%)	(539.4%)	(279.4%)	(207.0%)	(303.5%)
	Personal Accident	7.2%	8.3%	8.3%	6.1%	9.5%
	Health Insurance	0.3%	(3.2%)	(3.6%)	4.7%	2.3%
	Crop / Weather Insurance	(36.8%)	(23.5%)	(35.2%)	(83.1%)	(54.9%)
	Others	13.4%	1.9%	5.9%	3.8%	8.0%
	Total – Miscellaneous	(0.4%)	(3.4%)	(1.6%)	(6.5%)	(0.6%)
	Total	(0.7%)	(3.9%)	(1.8%)	(7.6%)	(1.2%)
13	Expense of Management to Gross Direct Premium Ratio	18.0%	19.7%	22.6%	23.2%	27.4%
14	Expense of Management to Net Written	30.7%	32.6%	36.2%	40.9%	37.9%

Sl No.	Particulars	As on/ For the half year ended September 30		As on/ For the year ended March 31		
		2018	2017	2018	2017	2016
	Premium Ratio					
15	Net Incurred Claims to Net Earned Premium	85.3%	83.8%	84.7%	92.2%	89.4%
16	Combined Ratio	106.0%	106.9%	111.0%	120.2%	120.5%
17	Technical Reserves to Net Premium Ratio	3.26	3.26	1.93	2.25	2.17
18	Underwriting balance Ratio (times)					
	Fire	(0.10)	(0.15)	(0.01)	(0.17)	0.07
	Marine	(2.51)	0.61	0.29	0.05	(0.80)
	Miscellaneous	(0.12)	(0.14)	(0.14)	(0.23)	(0.21)
	Total	(0.13)	(0.14)	(0.14)	(0.22)	(0.21)
19	Operating Profit Ratio	5.1%	4.2%	4.3%	2.4%	2.1%
20	Liquid Assets to liabilities Ratio	0.24	0.37	0.33	0.30	0.33
21	Net earnings Ratio	5.4%	5.1%	5.2%	5.8%	5.0%
22	Return on Net Worth Ratio (Refer note 5)	7.5%	6.8%	11.7%	10.3%	9.0%
23	Available Solvency margin to Required Solvency Margin Ratio (times)	1.71	1.73	1.68	1.68	1.55
24	NPA Ratio					
	Gross NPA Ratio	-	-	-	-	-
	Net NPA Ratio	-	-	-	-	-
25	Debt-Equity Ratio	0.19	0.17	0.16	0.18	-
26	Debt Service Coverage Ratio	2.00	9.65	8.83	9.64	10.68
27	Interest Service Coverage Ratio	9.65	9.65	8.83	9.64	10.68

Note:

1. The Board of Directors of the Company have approved issue of one bonus share for every one share held as on August 10, 2017. Pursuant to which the total number of equity shares have increased from 125,774,960 equity shares to 251,549,920 equity shares.
   The weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. The number of weighted average shares and outstanding shares have been adjusted for issue of bonus shares in the ratio of 1:1 for the purpose of calculation of EPS and Net Asset Value respectively.
2. For the purpose of net worth, Net Worth = Share Capital + Reserve & Surplus + Share Application Money – Miscellaneous Expenditure - Debit Balance in Profit and Loss Account
3. The above ratios have been calculated as per IRDAI Master Circular IRDA/F&I/CIR/F&A/231/10/2012 dated October 05, 2012 and Corrigendum on Master Circular IRDA/F&I/CIR/F&A/126/07/2013 dated July 3rd, 2013 / SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as applicable.
4. Net asset value and EPS has been calculated considering the dilutive potential of the share application money at a value of ₹ 100 per share on post bonus basis for FY16.
5. The ratios for the half year ended on September 30, 2018 and September 30, 2017 are not annualized.

21. Details of Company’s Record of Policyholder Protection and Pendency of Policyholder Complaints:

Details of Company's record of policyholders protection and the pendency of the policyholder complaints for the Half year ended September 30, 2018 are set out below:

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully Accepted	Partial Accepted	Rejected	
1	Complaints Made by customers						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	38	26	-	12	-
d)	Claims Servicing Related	1	251	49	8	195	-
e)	Others	-	34	22	-	12	-
	Total Number	1	**323**	**97**	**8**	**219**	-
	Complaints made by Intermediaries						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	-	-	-	-	-

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully Accepted	Partial Accepted	Rejected	
d)	Claims Servicing Related	-	-	-	-	-	-
e)	Others	-	-	-	-	-	-
	Total Number	-	-	-	-	-	-
2	**Duration wise Pending status**	**Complaints made by customers**		**Complaints made by Intermediaries**		**Total**	
a)	Less than 15 days	-		-		-	
b)	Greater than 15 days	-		-		-	
	Total Number	-		-		-	

Details of Company's record of policyholders protection and the pendency of the policyholder complaints for the year ended March 31, 2018 are set out below:

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully Accepted	Partial Accepted	Rejected	
1	Complaints Made by customers						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	3	53	44	5	7	-
d)	Claims Servicing Related	3	324	94	16	216	1
e)	Others	2	71	30	3	40	-
	Total Number	**8**	**448**	**168**	**24**	**263**	**1**
	Complaints made by Intermediaries						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	-	-	-	-	-
d)	Claims Servicing Related	-	-	-	-	-	-
e)	Others	-	-	-	-	-	-
	Total Number	-	-	-	-	-	-
2	**Duration wise Pending status**	**Complaints made by customers**		**Complaints made by Intermediaries**		**Total**	
a)	Less than 15 days	1		-		1	
b)	Greater than 15 days	-		-		-	
	Total Number	**1**		**-**		**1**	

Details of Company's record of policyholders protection and the pendency of the policyholder complaints for the year ended March 31, 2017 are set out below:

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully Accepted	Partial Accepted	Rejected	
1	Complaints Made by customers						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	2	241	214	-	26	3
d)	Claims Servicing Related	-	804	211	5	585	3
e)	Others	4	243	139	6	100	2
	Total Number	**6**	**1,288**	**564**	**11**	**711**	**8**
	Complaints made by Intermediaries						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	-	-	-	-	-
d)	Claims Servicing Related	-	-	-	-	-	-
e)	Others	-	-	-	-	-	-
	Total Number	-	-	-	-	-	-
2	**Duration wise Pending status**	**Complaints made by customers**		**Complaints made by Intermediaries**		**Total**	
a)	Less than 15 days	5		-		5	
b)	Greater than 15 days	3		-		3	

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully Accepted	Partial Accepted	Rejected	
	Total Number		**8**		**-**		**8**

Details of Company's record of policyholders protection and the pendency of the policyholder complaints for the year ended March 31, 2016 are set out below:

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully Accepted	Partial Accepted	Rejected	
1	Complaints Made by customers						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	293	261	-	30	2
d)	Claims Servicing Related	2	780	356	1	425	-
e)	Others	9	453	407	-	51	4
	Total Number	**11**	**1,526**	**1,024**	**1**	**506**	**6**
	Complaints made by Intermediaries						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	-	-	-	-	-
d)	Claims Servicing Related	-	-	-	-	-	-
e)	Others	-	-	-	-	-	-
	Total Number	-	-	-	-	-	-
2	**Duration wise Pending Status**		**Complaints made by customers**		**Complaints made by Intermediaries**		**Total**
a)	Less than 15 days		5		-		5
b)	Greater than 15 days		1		-		1
	Total Number		**6**		**-**		**6**

Details of Company's record of policyholders protection and the pendency of the policyholder complaints for year ended March 31, 2015 are set out below:

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully Accepted	Partial Accepted	Rejected	
1	Complaints Made by customers						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	1	221	203	-	19	-
d)	Claims Servicing Related	10	575	367	-	216	2
e)	Others	1	963	903	11	41	9
	Total Number	**12**	**1,759**	**1,473**	**11**	**276**	**11**
	Complaints made by Intermediaries						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	-	-	-	-	-
d)	Claims Servicing Related	-	-	-	-	-	-
e)	Others	-	-	-	-	-	-
	Total Number	-	-	-	-	-	-
2	**Duration wise Pending Status**		**Complaints made by customers**		**Complaints made by Intermediaries**		**Total**
a)	Less than 15 days		9		-		9
b)	Greater than 15 days		2		-		2
	Total Number		**11**		**-**		**11**

Details of Company's record of policyholders protection and the pendency of the policyholder complaints for the year ended March 31, 2014 are set out below:

Sl.	Particulars	Opening	Additions	Complaints Resolved	Complaints

No.		Balance		Fully Accepted	Partial Accepted	Rejected	Pending
1	Complaints Made by customers						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	4	526	514	4	11	1
d)	Claims Servicing Related	12	1,356	1,055	26	277	10
e)	Others	2	741	671	22	49	1
	Total Number	**18**	**2,623**	**2,240**	**52**	**337**	**12**
	Complaints made by Intermediaries						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	-	-	-	-	-
d)	Claims Servicing Related	-	-	-	-	-	-
e)	Others	-	-	-	-	-	-
	Total Number	**-**	**-**	**-**	**-**	**-**	**-**
2	**Duration wise Pending Status**	**Complaints made by customers**		**Complaints made by Intermediaries**		**Total**	
a)	Less than 15 days	7		-		7	
b)	Greater than 15 days	5		-		5	
	Total Number	**12**		**-**		**12**	

22. **Legal and Other Information:**

For details pertaining to our legal information, please see the section titled "*Outstanding Litigation and Material Developments*" on page 354 and for other information, please see the section titled "*Our Business – Compliance*" on page 172.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Restated Financial Information as of and for the financial years ended March 31, 2018, 2017 and 2016, and the half years ended September 30, 2018 and 2017 including the related notes, schedules and annexures, which have been prepared in accordance with the Companies Act, the IRDAI Regulations and restated in accordance with the SEBI ICDR Regulations. Our financial statements differ significantly from those of non-insurance companies. See "Risk Factors – Internal Risk Factors - Our financial statements and the presentation of our performance metrics differ significantly from those of non-insurance companies and may be difficult to understand or interpret" on page 51. This section also contains information from the ICRA Report, commissioned by us, for the purpose of this Offer.

The financial data relating to us set forth below have been prepared in accordance with Companies Act, the Insurance Act, the IRDAI Regulations and relevant circulars and schedules, and restated in accordance with the SEBI ICDR Regulations, except for the discussion of certain key performance indicators (See "Additional Disclosure of Financial Statements under IRDAI Issuance of Capital Regulations and "Our Business" on pages 306 and 145 respectively), which are not part of our financial statements and are unaudited.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward-looking statements as a result of one or many number of factors, including those set forth in the sections "Forward-Looking Statements" and "Risk Factors" on pages 16 and 21, respectively.

Overview

We are one of the leading private-sector general insurance companies in India. We offer a comprehensive and well-diversified range of insurance products in the motor, weather and crop, health, fire and engineering, and marine insurance sectors, as well as in other miscellaneous insurance business lines, which we provide through multiple distribution channels. In the half year ended September 30, 2018 and the financial year 2018, we issued over 2.97 million policies and 4.72 million policies, respectively, and our total GDPI was ₹35,689.82 million and ₹50,690.79 million, respectively. GDPI for the half year ended September 30, 2018 and the financial year 2018 included ₹14,611.65 million and ₹24,844.87 million, or 41.0% and 49.0% of total GDPI, from motor insurance, respectively, ₹9,253.36 million and ₹11,811.42 million, or 25.9% and 23.3% of total GDPI, from weather and crop insurance, respectively, ₹7,354.58 million and ₹7,820.84 million, or 20.6% and 15.4% of total GDPI, from health insurance, respectively, ₹3,146.25 million and ₹4,333.72 million, or 8.8% and 8.6% of total GDPI, from fire and engineering insurance, respectively, and ₹510.95 million and ₹672.97 million, or 1.4% and 1.3% of total GDPI, from marine insurance, respectively. We also participate in a number of insurance schemes promoted by the Government, notably in respect of weather insurance, crop insurance and mass health insurance. In connection with the periodic reporting obligations of our GDPI to the IRDAI, we submitted that our GDPI was ₹4,682.75 million, ₹4,147.11 million and ₹4,224.00 million for the months of October, November and December 2018, respectively. In addition, we submitted that our GDPI for the nine months ended December 31, 2018, was ₹ 48,743.80 million.

As at September 30, 2018, in addition to our own direct distribution through our branches, call center and website, our extensive multi-channel distribution network comprised individual and corporate agents (including bancassurance partners and NBFCs) as well as a significant number of brokers, and other intermediaries such as web aggregators. For example, we work with Maruti Insurance Broking and Private Limited and other large brokers for our Motor Insurance Business. According to the ICRA Report, as at March 31, 2018, our distribution network comprised the highest number of individual agents of any private sector company in the general insurance industry in India.

We focus on enhancing customer experience in order to retain and grow our customer base. This is reflected in particular in our consistent and continuing investment in IT platforms, designed to simplify customer service (both in respect of sales and claims) and also in our ability and desire to maintain a diverse product suite to meet the equally diverse needs of customers.

Our IT capabilities are critical to the efficient operation and performance of our business and one of the key contributors to our success as well as our future growth. Our strong IT infrastructure and web and portal based products provide comprehensive solutions to our core business functions such as sales and distribution of policies, policy servicing and administration, claims management, workflow management, human resource management and customer relationship management.

We are promoted by Reliance Capital Limited, an RBI registered Core Investment Company – Non-Deposit Taking Systemically Important Institution with business interests in asset management and mutual funds, life insurance, commercial lending, home finance, stock broking, wealth management services, distribution of financial products, asset reconstruction and proprietary investments, in addition to general insurance. Reliance Capital Limited is a part of the Reliance Group which has business interests in financial services, telecommunications, power, energy, infrastructure, and defense. The Reliance Group is led by Mr. Anil D. Ambani, one of India's prominent business leaders.

We have received numerous industry awards in recent years including:

- "Best General Insurance Company" (Asia's Banking, Financial, Services & Insurance Excellence Awards – 2018);
- "Initiative of the year in Risk & Compliance" (Times Network presents National Awards for Marketing excellence – 2018);
- "The best of the best PSA: Digital Media Intergrated Digital Campaign Use of Social Platforms Advertising & Marketing Communications" (Kyoorius Creative Awards - 2018);
- "Best BFSI company" (ET Now MODI Awards – 2018);
- "Best General Insurance Company, Best Emerging Insurance Company, Underwriting Initiative of the year (Insurance Sector)" (ET Now BFSI awards – 2018);
- "Model Insurer Asia Data & Analytics & AI" (Celent Model Insurer Asia Award – 2018);
- "Model Insurer Asia Data & Analytics" (Celent Model Insurer Asia Award – 2017);
- "General Insurance Company of the Year" (Annual Insurance India Summit & Awards – 2017);
- "General Insurance Company of the Year" (ABP News BFSI Awards – 2017);
- "Best Multi-Channel Integrated Marketing Campaign" and "Best Overall Use of Social Media" (Global Marketing Excellence Awards – 2016); and
- "Best Product Innovation" (The Indian Insurance Awards – 2016).

Our GDPI has increased at a compound annual growth rate ("**CAGR**") of 34.8% to ₹50,690.79 million in the financial year 2018 from ₹27,916.55 million in the financial year 2016. Our net profit after tax has increased to ₹1,650.03 million in the financial year 2018 from ₹1,008.53 million in the financial year 2016. Our solvency ratio as at September 30, 2018 and March 31, 2018 was 1.71 times and 1.68 times compared to the IRDAI-required control level of 1.50 times.

As a general insurance company, in accordance with applicable regulations, we generally receive premiums significantly prior to when we are required to make payments in settlement of claims, which follows the reporting and processing of such claims. This leaves us with investible assets for the intervening period which we are required to invest in accordance with IRDAI Investment Regulations. Our investment policy is designed with the objective of effectively investing, supervising, monitoring and evaluating all activities pertaining to fund management. As of September 30, 2018 and March 31, 2018, we had an investment portfolio of ₹86,498.74 million and ₹79,988.64 million, respectively. Our investment portfolio increased at a CAGR of 21.9% between March 31, 2016 and March 31, 2018. During the half year ended September 30, 2018 and the financial year 2018 our investment portfolio generated realized returns (annualized) of 7.8% and 8.1% respectively. Debt investments comprises of 97.4% and equity investments comprises 2.6% of our total investments as at September 30, 2018.

Significant Factors Affecting our Results of Operations

Our results of operations and financial condition are significantly affected by a number of factors including:

The Indian Economy

Our results of operations are affected by general economic conditions in India. The insurance industry has undergone transformational changes in the last decade on the back of new entrants in both life and general insurance sectors. The Government of India has launched several initiatives such as Aadhaar, Pradhan Mantri

Jeevan Jyoti Bima Yojana, Rashtriya Swasthya Bima Yojana, Universal Health Insurance Scheme, Pradhan Mantri Jan Arogya Yojana and Pradhan Mantri Suraksha Bima Yojana. Further, simplification of KYC procedures coupled with higher levels of awareness among customers on the need for insurance has enhanced financial literacy of the Indian work force. These developments are expected to help insurance companies in India to enhance penetration levels. The growth of our GDPI in the periods under review has also been underpinned by the increased penetration of the general insurance industry in India as a result of growth in the Indian economy (including resulting increases in disposable income both for the purchase of insurance as well as for the purchase of assets that require insurance such as motor vehicles) and increased awareness of financial products, such as insurance. These trends have resulted in a larger base of customers seeking to purchase general insurance products and as such, the general insurance industry including our business, has grown.

Regulatory and Fiscal Environment

The general insurance industry in India is highly regulated. Relevant laws and regulations cover a wide variety of areas, including for us: solvency requirements, investments, distribution channels, the claim settlement process for third-party motor liability and reserving practices; and for our customers, the requirement to purchase insurance policies, the prices they are available at, and the level of cover provided.

For the periods presented, changes to our GDPI have, to a significant extent, been driven by changes in regulatory and fiscal policy in the insurance industry. Legislation that requires Indian motorists to purchase third party motor insurance is responsible for a significant element of the demand for our products. Governmental sponsored (and subsidized) insurance programs in the weather and crop insurance sector have made weather and crop insurance affordable for many farmers and generated significant demand for these products. Furthermore, government policy with respect to the liberalization of the economy and the education of the public on the availability and benefits of financial products such as insurance, have also driven demand for general insurance products. Our performance in previous periods, as well as in the future, has been, and is likely to be, significantly influenced by the pursuit and success of such policies.

Demand for General Insurance Products

We design and distribute a broad range of insurance products. The range of products we provide, and their relative contribution to our GDPI in any financial period, are determined by customer demand for such products (including as a result of regulatory changes). For the periods presented, there have been variations in the relative contribution of certain business lines to our GDPI, for example, the relative contribution of the weather and crop business line has increased as this product becomes more popular (and also varied as a result of our success in tendering for government programs). Demand for our existing products, and our ability to offer products that cater to new or changing demands of consumers, will drive our ability to attract customers and our GDPI.

Furthermore, different products and business lines have different financial structures and contribute to our results of operations in different ways. For example, third party motor insurance policies have no time or exposure limit in respect of claims, requiring us to adopt a conservative reserving policy in respect of them. Third party motor insurance business therefore generates a large ‘float’ of investable assets, the success of our investment of which will drive our profitability in respect of that business line. Therefore, if in any financial period (or periods) we generate a larger portion of our GDPI from third party motor insurance, then our ability to generate profit will depend more significantly on the success of our investment strategy and performance of our investment portfolio, for that period.

Our segmental GDPI for the periods presented is shown in the table below:

(₹ in million)

Segment	For the half year ended September 30, 2018	For the half year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
Fire	2,778.59	2,369.43	3,641.77	2,989.13	2,590.77
Marine Cargo	431.66	391.45	555.36	441.96	413.67
Marine Hull	79.29	82.63	117.61	57.97	94.24
Marine Total	510.95	474.08	672.97	499.93	507.91
Motor Own Damage	6,729.81	5,697.62	11,983.84	9,518.16	7,947.72
Motor Third Party	7,881.84	6,041.53	12,861.03	10,108.36	8,657.53
Motor Total	14,611.65	11,739.15	24,844.87	19,626.52	16,605.25
Employer's Liability	64.25	50.81	102.73	93.96	93.95

Public Liability	128.70	295.87	354.66	366.82	312.92
Engineering	367.66	370.22	691.95	540.53	531.95
Aviation	60.29	38.99	80.69	65.79	54.61
Personal Accident	345.18	176.74	289.34	365.62	274.75
Health	7,354.58	5,646.87	7,820.84	3,443.30	5,371.85
Weather and Crop Insurance	9,253.36	8,088.10	11,811.42	10,894.35	1,126.25
Other Miscellaneous	214.61	202.88	379.55	467.56	446.34
Total	**35,689.82**	**29,453.14**	**50,690.79**	**39,353.51**	**27,916.55**

Claims Incurred and Reserves

Our results of operations are affected by the claims that are made by policyholders in respect of insurance policies we have underwritten. The actual claims that we incur in any financial period may (and often will) vary from the assumptions we make in respect of potential claims, when we design and price our products. Our actual liabilities vary as a result of a variety of factors, including the frequency of damages suffered by holders of our insurance policies, catastrophic events and customer awareness of potential claims. Financial periods with higher aggregate claims incurred will result in higher actual expenses for us, and as such, are likely to result in lower net profit for such periods.

The claims we paid (net of reinsurances) for the periods under review are shown in the table below:

(₹ in million)

Region	For the half year ended September 30, 2018	For the half year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
In India	10,440.07	8,348.82	16,917.32	12,215.56	15,060.98
Outside India	44.65	24.69	56.74	85.49	28.70
Total	**10,484.72**	**8,373.51**	**16,974.06**	**12,301.05**	**15,089.68**

In order to ensure we can meet our payment obligations in respect of future claims, we also maintain loss reserves, representing estimates of amounts we ultimately expect to pay in the future on claims incurred at a given time, based on facts and circumstances known at the time the loss reserves are established. Such estimates may not accurately predict actual expenses we incur as a result of claims incurred. To the extent loss reserves are insufficient to meet actual claims incurred, future revenue may need to be utilized to either meet such actual claims, as well as replenishing our loss reserves, which would impact our results of operations for any such period. Furthermore, our reserving policy in any financial period will determine how much revenue we utilize to loss reserves in respect of insurance policies we have underwritten, either in that period or in any previous periods. Therefore, our net profit will vary as the amount of revenue we utilize to loss reserves is changed for any financial period.

Reinsurance

In any financial period, we reinsure a certain amount of the insurance policies we underwrite for customers. Such reinsurance policies allow us to make a claim for a contribution from the relevant reinsurer, towards the meeting of the costs of claims we incur from our policyholders, in respect of such reinsured policies. Entering into such policies allows us to ensure the risk we retain is in accordance with our risk appetite and risk strategy. Our purchasing of reinsurance can affect our financial results in any period in a number of ways. For example, the premiums we pay for such reinsurance policies constitute expenses, and so the prices paid for such premiums will affect our net profit for such periods. Furthermore, the amount of risk we choose to reinsure (and that we choose to retain), in accordance with our risk strategy, influences both the extent to which we are exposed to potential claims and so need to increase our loss reserves, and also the amount of premium we retain and as such the 'float' we have available to invest. As our reinsurance levels increase, our results of operations will vary less in connection with the extent of claims we incur and the performance of our investment portfolio in any period.

Our premium on reinsurance ceded, which indicates the difference between our gross written premium and our net written premium, for the periods under review is shown in the table below:

(₹ in million)

Particulars	For the half year	For the half year	Financial	Financial	Financial

	ended September 30, 2018	ended September 30, 2017	Year 2018	Year 2017	Year 2016
Gross Written Premium (GWP)	**35,958.82**	**29,658.94**	**51,223.14**	**40,070.94**	**28,680.73**
Less: Premium on reinsurance ceded	14,994.93	11,854.50	19,587.69	17,757.47	8,469.47
Net Written Premium (NWP)	**20,963.89**	**17,804.44**	**31,635.45**	**22,313.47**	**20,211.26**

The reinsurance market is cyclical, with periodic fluctuations in underwriting capacity in the market affecting the price at which reinsurance can be obtained. Underwriting capacity and rates in the reinsurance market, which are determined largely by underwriting conditions in the international market, may not necessarily move in the same fashion as those in the Indian direct insurance market. Scarcity of underwriting capacity in the reinsurance market leading to increases in reinsurance rates could raise the cost of reinsurance to us and potentially decrease our underwriting profit. The occurrence of major terrorist attacks, regional natural disasters and developments in the global financial markets in recent years have caused reinsurance rates to increase. In addition, under applicable IRDAI regulations, there are certain restrictions and conditions applicable to our obtaining reinsurance. See *"Key Regulations and Policies*" on page 175.

Performance of our Investment Portfolio

As a general insurance company, the difference in time between the period in which we receive payment in respect of the premium of an insurance policy we have underwritten, and the time when we may be required to make a payment in respect of a claim under such policy, leaves us holding significant amounts of cash (known as 'float') which we invest. Investment income therefore comprises a substantial portion of our net income. In particular, as a large portion of our GDPI comes from third party motor insurance, for which there is no time limit for the making of claims, we are required to maintain our investment portfolio over time and so it forms an even greater part of our business. Therefore, the performance of our investment portfolio is likely to have a significant effect on our results of operations for any periods, and particularly for periods where we generate a larger float (for example as a result of growing third party motor GDPI).

Our investment returns are sensitive to interest rate fluctuations and any changes in interest rates could affect our investment returns and results of operations. Further, our returns on our equity investments are dependent on the performance of the equity capital markets in India. Interest rate risk generally arises from fluctuations of interest rates and the mismatches between the durations of assets and liabilities. Rising interest rates would result in an increase interest income from fixed income investment assets. However, it would reduce the fair value of investments and result in unrealized losses, which could adversely affect our results of operations and financial condition. Conversely, lower interest rates would result in a reduction in interest income from our fixed income investment assets, but would increase the fair value of investments.

See *"Risk Factors - Internal Risk Factors - We are exposed to significant market risk, including changes in interest rates that could impair the value of our investment portfolio, which could lead to an adverse effect on our results of operations and financial condition" on page* 36.

We are also exposed to credit risk in relation to our investments. See *"Risk Factors - Internal Risk Factors - Credit risks related to our investments may expose us to losses and have an adverse effect on our financial condition" on page* 37.

Competition

We operate in a highly competitive industry, in competition both with state-owned and established general insurers, and newer market entrants, seeking to benefit from the growth and increased penetration in the general insurance industry in India that we ourselves have benefited from. Increased competition may reduce our market share, decrease any growth in our GDPI, increase our policy acquisition costs, increase our operating expenses and reduce our customer base. Mergers and acquisitions involving our competitors may create entities with higher market share, greater resources and larger distribution networks than us, thereby further increased such effects of competition. Any such effects of competition may result in decreased revenue and increased expenses.

Transition from Indian GAAP to Ind AS

The Ministry of Corporate Affairs, Government of India, had through a notification dated February 16, 2015, set out the Ind AS standard and the timelines for its implementation. Accordingly, we were required to adopt and prepare our statutory financial statements in accordance with Ind AS for periods beginning on or after April 1, 2018. However, the IRDAI approved a regulatory change whereby the implementation of Ind AS in the insurance sector has been deferred for a period of two years and insurance companies shall be required to implement it for periods beginning on or after April 1, 2020.

Significant Accounting Policies

Basis of Preparation of Financial Information

The Restated Financial Information have been prepared in accordance with the requirements of:

- Section 26 of the Companies Act, 2013;
- The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by the Securities and Exchange Board of India ("**SEBI**") on September 11, 2018, as amended from time to time (together referred to as the "SEBI Regulations"); and
- Paragraph 1 and 2 of Part (c) Schedule I of Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015 (referred to as the "**IRDAI Regulations**") issued by the Insurance Regulatory and Development Authority of India (the "**IRDAI**").
- Guidance note on Reports in Company Prospectuses (Revised 2019).

Revenue Recognition

Premium income

Premium (net of Service Tax/ Goods and Service Tax) is recognized as income over the contract period or the period of risk whichever is appropriate. Any subsequent revisions to or cancellations of premium are recognized in the year in which they occur. In respect of Government schemes being implemented by us for weather and crop insurance, premium is recognized (including share of Central Government and respective State Government) upon remittance of farmer's share received from the nodal banks out of such premium collected by them subject to acceptance of proposal/declaration by us.
Income from reinsurance ceded

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

ii. Profit commission under reinsurance treaties, wherever applicable, is recognized on accrual basis. Any subsequent revisions of profit commission are recognized in the year in which final determination of the profits are intimated by reinsurers.

Income earned on investments

i. **Interest/dividend Income:** Interest income is recognized on accrual basis. Dividend is recognized when right to receive dividend is established.

ii. **Premium/discount on purchase of investments:** Accretion of discount and amortization of premium relating to debt securities is recognized over the holding / maturity period on constant yield to maturity method.

iii. **Profit/loss on sale of securities:** Realized profit or loss on sale/redemption of securities is recognized on trade date basis. In determining the realized profit and loss, the cost of securities is arrived at on weighted average cost basis.
Further, in case of listed equity shares and mutual funds the profit and loss also includes accumulated changes in the fair value previously recognized in the fair value change account and includes effects on accumulated fair value changes, previously recognized, for specific investments sold/redeemed during the year.

Premium Received in Advance

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

Reinsurance Premium

a) Insurance premium ceded is accounted in the year in which the risk commences and recognized over the Contract period. Any subsequent revision to refunds & cancellation of policies are recognized in the year in which they occur.
b) Reinsurance inward is accounted to the extent of the returns received from the reinsurer.

Reserve for Unexpired Risk

Reserve for unexpired risk is made on the amount representing that part of the net premium written which is attributable to, and to be allocated to the succeeding accounting period using 1/365 method for all lines of business other than marine hull. In the case of marine hull business, 100% of the net written premium during the preceding twelve month is recognized as reserve for unexpired risk.

Claims Incurred

Claims incurred comprises of claims paid (net of salvage and other recoveries), change in estimated liability for outstanding claims made following a loss occurrence reported and change in estimated liability for claims Incurred But Not Reported ("**IBNR**") and claims Incurred But Not Enough Reported ("**IBNER**"). Further, claims incurred also include specific claim settlement costs such as survey or legal fees and other directly attributable costs.

Salvages are recognized on realization basis.

Claims (net of amounts receivable from reinsurers/co-insurers) are recognized on the date of intimation using statistical method of estimates certified by Appointed Actuary. These estimates are progressively revalidated on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for IBNR claims and IBNER claims is certified jointly by the Appointed Actuary and the Mentor to the Appointed Actuary of our Company for the half years ended September 30, 2018 and September 30, 2017 and the financial years 2018 and 2017.

For the financial year 2016, provision for IBNR/IBNER has been made based on the report from an external consulting Actuary.

Acquisition Cost

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts and are expensed in the period in which they are incurred.

Premium Deficiency

Premium deficiency is recognized if the cost of expected net claim cost, related expenses and maintenance cost exceeds the sum of related premium carried forward to subsequent accounting period as the reserve for unexpired risk. Premium deficiency is recognized at the Company level. We consider maintenance cost as relevant cost incurred for ensuring claim handling operations. The expected claim cost is calculated and duly certified jointly by the Appointed Actuary and the Mentor to the Appointed Actuary of our Company as at September 30, 2018, September 30, 2017, March 31, 2018 and March 31, 2017.

During the financial year 2016, we have made the provision based on the report from an external consulting actuary.

Investments

a) Investments maturing within twelve months from the balance sheet date are classified as short term investments. Investments other than short-term investments are classified as long term investments.

b) Investments are carried at cost on weighted average basis. Cost includes brokerage, securities transactions tax, stamp duty and other charges incidental to transactions.

c) Investment in debt securities is shown in the balance sheet at historical cost subject to amortisation/accretion of the premium/discount over the maturity period based on constant yield to maturity method.

d) Investment in equity shares as at the balance sheet date is stated at fair value and fair value is the last quoted closing price on the National Stock Exchange. However, in case of any stock not being listed in National Stock Exchange, then the last quoted closing price in Bombay Stock Exchange is taken as fair value. Unrealized gains/losses are credited /debited to fair value change account.

e) Investment in units of mutual funds is stated at the latest available Net Asset Value ("**NAV**") at the time of valuation on the balance sheet date. Unrealized gains/losses are credited/ debited to fair value change account.

f) In accordance with the regulations, unrealized gain/loss arising due to changes in fair value of listed equity shares is taken to the fair value change account. This balance in the fair value change account is not available for distribution, pending crystallizations.

Impairment of Investments

We assess at each balance sheet date whether there is any indication that any investment in equity or units of mutual funds is 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 revenue or 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 investment is restated to that extent.

Fixed Assets & Depreciation/Amortization

a) Fixed assets are stated at cost less accumulated depreciation.

b) Depreciation on fixed assets is provided on useful life basis at the rates and the manner provided in Schedule II of the Companies Act, 2013 except for points d. and e. mentioned below.

c) Lease Hold Improvements, is amortized over the primary period of lease.

d) Capital work-in-progress includes assets not ready for intended use and is carried at cost, comprising direct cost and related incidental expenses.

e) Assets purchased for value not exceeding ₹ 5,000 is fully depreciated in the year of purchase.

Tangible and Intangible assets are stated at cost of acquisition less accumulated depreciation/amortization.

Tangible Assets:

Description	**Useful Life**
Furniture & Fixtures	10 Years
Information Technology Equipment	2-3 Years
Information Technology Equipment (Server)	6 Years
Vehicles	8 Years
Office Equipment (Camera and Mobile)*	2 Years
Office Equipment (Others)	5 Years
Plant & Machinery	5 Years

*Based on technical advice

Intangible Assets:

Description	Useful Life
Intangible Asset (Computer Software)	4 Years

Taxation

We provide for income tax in accordance with the provisions of the Income Tax Act, 1961. Provision for income tax is made on the basis of estimated taxable income for the year at current rates. Tax expenses comprises of both current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amounts of income tax payable/recoverable in respect of the taxable income or loss for the reporting period.

Deferred Tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation and carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty backed by the convincing evidence of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are appropriately adjusted to reflect the amount that is reasonably or virtually certain to be realized.

In accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India and in accordance with the provisions of the Income Tax Act, 1961, Minimum Alternative Tax ("**MAT**") credit is recognized as an asset to the extent there is convincing evidence that we will pay normal income tax in future by way of credit to the profit and loss account and it will be shown as MAT credit entitlement.

Allocation of Expenses

We have a board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016.

Accordingly, operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

a) Expenses, which are attributable and identifiable to the business segments, are directly charged to the relevant business segment. This is determined by the management, based on the nature of the expenses and their relationship with various business segments, wherever possible

b) Employee's remuneration and welfare expenses relating to underwriting and claims function, which are attributable and identified at health, motor and commercial lines of business, are directly charged to the respective lines of business and the same will further be allocated based on Net Written Premium of respective class of business

c) Other expenses, that are not identifiable at the segments, are allocated on the basis of net written premium in each business class, except advertisement and publicity expenses, which are not allocated where business is sourced through tender bidding towards government-sponsored schemes for health and weather and crop.

Expenses relating to investment activities and interest cost on borrowings are charged to profit and loss account.

Allocation of Investment Assets

Investments assets are bifurcated into policyholders and shareholders funds on a notional basis as per the IRDAI circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated April 04, 2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated January 12, 2017. Policyholder's funds represent the amount equivalent to the sum of outstanding claims including IBNR and IBNER, Unexpired Risk Reserve ("**URR**"), Premium Deficiency, Catastrophe Reserve and Other Liabilities net off other assets as specified by the authority and the balance being disclosed as Shareholders Funds.

Allocation of Investment Income

Investment Income has been allocated between revenue accounts and profit and loss account in the ratio, an investment asset is bifurcated between policyholders and shareholders. Further, investment income between policyholder's is allocated on the basis of the ratio of average policyholder's funds comprising of reserves for unexpired risks, IBNR, IBNER and outstanding claims.

Revenue Accounts

We maintain a revenue account for our business which we use to derive our operating profit that is included in our profit and loss account.

The table below sets out our revenue accounts for the periods indicated:

(₹ in million)

Revenue	For the half year ended September 30, 2018	For the half year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
Premium Earned (Net)	15,904.00	13,748.11	28,556.61	20,890.56	19,994.52
Income from Investments	2,805.87	2,459.81	5,166.55	5,124.94	4,581.72
Other Income	3.07	2.14	6.89	5.52	13.68
Total Income	**18,712.94**	**16,210.06**	**33,730.05**	**26,021.02**	**24,589.92**
Claims Incurred (Net)	13,559.54	11,516.91	24,191.36	19,267.19	17,875.14
Commission Paid (Net)	(143.90)	(687.59)	(575.73)	(1,690.84)	(250.37)
Operating expenses related to insurance business	4,482.30	4,806.22	8,893.94	7,941.04	6,543.22
Total Expense	**17,897.94**	**15,635.54**	**32,509.57**	**25,517.39**	**24,167.99**
Operating Profit / (Loss)	**815.00**	**574.52**	**1,220.48**	**503.63**	**421.93**

Profit and Loss Accounts

The table below sets out our profit and loss accounts for the periods indicated:

(₹ in million)

Profit and Loss Account	For the half year ended September 30, 2018	For the half year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
Operating Profit / (Loss)	815.00	574.52	1,220.48	503.63	421.93
Income from Investment	529.70	564.62	875.54	995.19	758.36
Other Income	14.64	4.33	20.95	9.62	6.64
Total Income	**1,359.34**	**1,143.47**	**2,116.97**	**1,508.44**	**1,186.93**
Provisions (Other than Taxation)	73.80	75.57	149.96	18.77	19.40
Other Expenses	152.41	160.02	316.98	210.94	149.64
Total Expense	**226.21**	**235.59**	**466.94**	**229.71**	**169.04**
Profit before Tax	**1,133.13**	**907.88**	**1,650.03**	**1,278.73**	**1,017.89**
Provision for Taxation	-	-	-	(8.55)	9.36
Profit after Tax	**1,133.13**	**907.88**	**1,650.03**	**1,287.28**	**1,008.53**

Premium Earned (Net)

The table below sets out our premium earned (net) ("**NEP**") for the periods indicated:

(₹ in million)

Premium Earned (Net) (NEP)	For the half year ended September 30, 2018	For the half year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
Premium from direct business written-net of service tax/GST (GDPI)	35,689.82	29,453.14	50,690.79	39,353.51	27,916.55
Premium on reinsurance accepted	269.00	205.80	532.35	717.43	764.18

Premium Earned (Net) (NEP)	For the half year ended September 30, 2018	For the half year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
Gross Written Premium (GWP)	**35,958.82**	**29,658.94**	**51,223.14**	**40,070.94**	**28,680.73**
Less: Premium on reinsurance ceded	14,994.93	11,854.50	19,587.69	17,757.47	8,469.47
Net Written Premium (NWP)	**20,963.89**	**17,804.44**	**31,635.45**	**22,313.47**	**20,211.26**
Less: Adjustment for change in reserve for unexpired risks (URR)	5,059.89	4,056.33	3,078.84	1,422.91	216.74
Premium Earned (Net) (NEP)	**15,904.00**	**13,748.11**	**28,556.61**	**20,890.56**	**19,994.52**

The table below sets out our segmental NEP for the periods indicated:

(₹ in million)

Segment	For the half year ended September 30, 2018	For the half year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
Fire	447.01	362.05	768.40	632.68	560.43
Marine Cargo	27.06	24.77	53.59	176.62	266.90
Marine Hull	0.75	0.21	0.55	1.65	0.99
Marine Total	27.81	24.98	54.14	178.27	267.89
Motor Own Damage	4,817.71	4,000.89	8,429.48	6,911.85	6,060.36
Motor Third Party	5,362.80	4,190.41	8,925.74	7,592.92	6,902.12
Motor Total	10,180.51	8,191.30	17,355.22	14,504.77	12,962.48
Employer's Liability	52.33	43.53	90.21	89.57	86.01
Public Liability	42.36	34.28	88.54	73.46	52.32
Engineering	110.17	97.45	202.52	187.25	167.04
Aviation	0.54	0.66	1.19	1.11	0.98
Personal Accident	147.41	130.03	300.94	333.69	355.91
Health	3,748.83	3,174.24	6,410.63	2,999.42	5,139.85
Weather and Crop Insurance	1,001.17	1,557.08	2,992.58	1,682.81	232.97
Other Miscellaneous	145.86	132.51	292.24	207.53	168.64
Total	**15,904.00**	**13,748.11**	**28,556.61**	**20,890.56**	**19,994.52**

Explanation of Certain Line Items

GDPI

Premium from direct business written-net of prevailing tax is the total premium received by us before taking into account reinsurance assumed and ceded. This is calculated net of prevailing tax on such premiums.

Premium on Reinsurance Accepted

Premium on reinsurance accepted is the premium received by us in respect of reinsurance policies we underwrite.

Premium on Reinsurance Ceded

Premium on reinsurance ceded is the premium in respect of the risks that we cede to reinsurance counterparties by purchasing reinsurance. In the case of non-proportional reinsurance, like risk, excess-of-loss or catastrophic excess-of-loss, this amount is the premium that we pay to our reinsurers. In the case of proportional reinsurance, this amount is calculated based on the premium we receive for insuring a particular risk and the proportion of such risk ceded to our reinsurers.

Adjustment for Change in Reserve for Unexpired Risks

Adjustment for change in reserve for unexpired risks ("**URR**") represents the change in our provisions to account for the portion of the premiums on policies written during a financial year, which have not yet been earned since the policy covers a period extending beyond the given financial year other than Marine Hull.

Income from Investments (Revenue Account)

Income from investments (revenue account) consists of net profit on sale and redemption of investments and gross interest, dividend and rent received from our investment assets. Total income from investments is allocated between revenue and profit and loss account in the ratio of policyholders fund to shareholder fund. Income from investments on policyholders fund is credited to revenue account

Other Income (Revenue Account)

Other income (revenue account) consists of foreign exchange gain or loss on reinsurance transactions and miscellaneous income, which is directly attributable to revenue account.

Claims Incurred (Net)

Claims incurred (net) are the total claims incurred by us during a given period, paid and outstanding, net of claims recovered from reinsurance ceded. Under guidance issued by the IRDAI, incurred but not reported ("**IBNR**") and reported but not enough reported ("**IBNER**") reserves, which constitute claims outstanding, are not discounted.

Commission on Reinsurance Ceded

Commission on reinsurance ceded refers to the commissions received by us from reinsurers in respect of the policies originated by us that they reinsure. This commission is generally computed as a percentage of the premium on reinsurance ceded. In the case of certain proportional reinsurance contracts where the premium rates are defined, the difference between the premium we receive for insuring a particular risk and the premium rate so defined in the reinsurance contract is considered as commission on reinsurance ceded.

Income from Investments (Profit and Loss Account)

Income from investments (profit and loss account) consists of interest, dividend and rent, and net profit on the sale and redemption of investments.

Other Income (Profit and Loss Account)

Other income (profit and loss account) consists of profit on sale or discard of fixed assets, recovery of bad debts written off and miscellaneous income.

Half year ended September 30, 2018 compared to half year ended September 30, 2017

GDPI

Our total GDPI increased by 21.2% from ₹ 29,453.14 million for the half year ended September 30, 2017 to ₹ 35,689.82 million for the half year ended September 30, 2018. This was primarily as a result of an increase in motor, health and weather and crop premiums during the period; motor GDPI accounted for ₹ 14,611.65 million, or 40.9% of overall GDPI, for the half year ended September 30, 2018 and ₹ 11,739.15 million, or 39.9% of overall GDPI, for the half year ended September 30, 2017; health GDPI accounted for ₹ 7,354.58 million, or 20.6 % of overall GDPI, for the half year ended September 30, 2018 and ₹ 5,646.87 million, or 19.2% of overall GDPI, for the half year ended September 30, 2017; and weather and crop GDPI accounted for ₹ 9,253.36 million, or 25.9% of overall GDPI, for the half year ended September 30, 2018 and ₹ 8,088.10 million, or 27.5% of overall GDPI, for the half year ended September 30, 2017

Premium on reinsurance ceded

Premium on reinsurance ceded increased from ₹ 11,854.50 million, which constituted 40.0% of our overall gross written premium in the half year ended September 30, 2017, to ₹ 14,994.93 million, which constituted 41.7% of our overall gross written premium for the half year ended September 30, 2018; primarily as a result of an increase in premium ceding in the motor segment by ₹ 1,309.57 million and in the weather and crop segment by ₹ 1,540.71 million.

NEP

Our NEP increased by 15.7% from ₹13,748.11 million for the half year ended September 30, 2017 to ₹15,904.00 million for the half year ended September 30, 2018, primarily due to an increase in premiums in the motor and health segments during the period.

Income from Investment (Revenue Account)

(₹ in millions)

Income from Investments (Revenue Account)	For the Half Year Ended September 30, 2018	For the Half Year Ended September 30, 2017
Net Profit on sale and redemption of investments	114.94	305.30
Interest, Dividend and Rent – Gross	2,690.93	2,154.51
Income from Investments (Revenue Account)	**2,805.87**	**2,459.81**

Our income from investment (revenue account) increased by ₹ 346.06 million from ₹ 2,459.81 million for the half year ended September 30, 2017 to ₹ 2,805.87 million for the half year ended September 30, 2018. This was primarily on account of an increase in gross interest, dividend and rent received due to an increase in the size of our investment portfolio, which was partially offset by a decrease in net profit on sale and redemption of investments.

Investment income between revenue account and profit and loss account is allocated in the ratio of policyholders fund to shareholders fund. Investment income allocated to policyholders fund and shareholders fund was 84.2% and 15.8%, respectively, for the half year ended September 30, 2018 and 81.3% and 18.7% respectively, for the half year ended September 30, 2017.

Other Income (Revenue Account)

(₹ in millions)

Other Income (Revenue Account)	For the Half Year Ended September 30, 2018	For the Half Year Ended September 30, 2017
Foreign exchange Gain / (Loss)	1.27	1.04
Miscellaneous income	1.80	1.10
Other Income (Revenue Account)	**3.07**	**2.14**

Other income (revenue account) increased by 43.5% to ₹ 3.07 million for the half year ended September 30, 2018 from ₹ 2.14 million for the half year ended September 30, 2017, primarily due to an increase in miscellaneous income and foreign exchange gain.

Claim Incurred (Net)

(₹ in millions)

Claim Incurred (Net)	For the Half Year Ended September 30, 2018	For the Half Year Ended September 30, 2017
Claims Paid – Direct	17,979.15	13,293.55
Claims Paid on reinsurance Accepted	25.71	3.99
Gross Claim Paid	**18,004.86**	**13,297.54**
Less: Claims Recovered on reinsurance ceded	7,520.14	4,924.03
Net Claim Paid	**10,484.72**	**8,373.51**
Increase / (Decrease) in claims outstanding	3,074.82	3,143.40
Claim Incurred (Net)	**13,559.54**	**11,516.91**

Our claim incurred (net) increased by 17.7% from ₹ 11,516.91 million for the half year ended September 30, 2017 to ₹13,559.54 million for the half year ended September 30, 2018, primarily as a result of an increase in claims in the motor and health segments corresponding to an increase in premiums in such segments.

Commission Paid (Net)

(₹ in millions)

Commission (Net)	For the Half Year Ended September 30, 2018	For the Half Year Ended September 30, 2017
Commission paid – Direct	1,951.81	991.96

Commission paid on reinsurance accepted	12.26	3.54
Gross Commission paid	**1,964.07**	**995.50**
Less: Commission received from reinsurance ceded	2,107.97	1,683.09
Commission paid (Net)	**(143.90)**	**(687.59)**

Our gross commission paid increased from ₹ 995.50 million for the half year ended September 30, 2017 to ₹ 1,964.07 million for the half year ended September 30, 2018, primarily as a result of an increase in the motor commission rate pursuant to the notification of the Guidelines on Motor Insurance Service Providers by the IRDAI, which was offset by commission received from reinsurance ceded of ₹ 1,683.09 million for the half year ended September 30, 2017 and ₹ 2,107.97 million for the half year ended September 30, 2018.

Our Operating Expenses Related to Insurance Business

Our operating expenses related to insurance business decreased by 6.7% from ₹ 4,806.22 million for the half year ended September 30, 2017 to ₹ 4,482.30 million for the half year ended September 30, 2018, primarily on account of a reduction in advertisement and publicity expenses and service tax/GST expenses.

Our advertisement and publicity expenses decreased from ₹ 2,170.11 million for the half year ended September 30, 2017 to ₹ 1,303.71 million for the half year ended September 30, 2018, primarily on account of a decrease in marketing campaigns.

Our service tax/GST expenses decreased from ₹ 142.87 million for the half year ended September 30, 2017 to ₹ 39.00 million for the half year ended September 30, 2018, primarily on account of the transition from the service tax regime to the GST regime.

Operating Profit

Our operating profit increased from ₹ 574.52 million for the half year ended September 30, 2017 to ₹ 815.00 million for the half year ended September 30, 2018.

Income from Investments (Profit and Loss Account)

(₹ in millions)

Income from Investments (Profit and Loss Account)	For the Half Year Ended September 30, 2018	For the Half Year Ended September 30, 2017
Net Profit on sale and redemption of investments	21.70	70.08
Interest, Dividend and Rent – Gross	508.00	494.54
Income from Investments (Profit and Loss Account)	**529.70**	**564.62**

Our income from investments (profit and loss account) decreased by ₹ 34.92 million from ₹ 564.62 million for the half year ended September 30, 2017 to ₹ 529.70 million for the half year ended September 30, 2018. This was primarily on account of a reduction in the net profit on sale and redemption of investments, which was partially offset by an increase in gross interest, dividend and rent received.

Investment income between revenue account and profit and loss account is allocated in the ratio of policyholders fund to shareholders fund. Investment income allocated to policyholders fund and shareholders fund was 84.2% and 15.8%, respectively, for the half year ended September 30, 2018 and 81.3% and 18.7% respectively, for the half year ended September 30, 2017.

Other Income (Profit and Loss Account)

Other income (profit and loss account) increased from ₹ 4.33 million for the half year ended September 30, 2017 to ₹ 14.64 million for the half year ended September 30, 2018 on account of excess provisions written back of ₹ 14.05 million for the half year ended September 30, 2018 compared to ₹2.57 million for the half year ended September 30, 2017.

Other Expenses

Our other expenses decreased from ₹ 160.02 million for the half year ended September 30, 2017 to ₹ 152.41 million for the half year ended September 30, 2018, primarily on account of a decrease in managerial remuneration during the half year ended September 30, 2018.

Profit before Tax

Our profit before tax increased by 24.8% from ₹ 907.88 million for the half year ended September 30, 2017 to ₹ 1,133.13 million for the half year ended September 30, 2018.

Our Provision for Taxation

Our provision for current taxation increased by 4.3% from ₹ 188.33 million for the half year ended September 30, 2017 to ₹ 196.50 million for the half year ended September 30, 2018 as a result of an increase in our profit before tax from ₹ 907.88 million for the half year ended September 30, 2017 to ₹ 1,133.13 million for the half year ended September 30, 2018. We had unabsorbed depreciation and accumulated brought forward losses from previous years and had to provide for MAT in accordance with applicable laws.

Our provision for current tax was set-off by a MAT credit entitlement, in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India, as well as the provisions of Income Tax Act, 1961. MAT credit is recognized as an asset to the extent there is convincing evidence that we will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

Our provision for deferred tax was nil for the half years ended September 30, 2017 and September 30, 2018.

Profit after Tax

Our profit after tax increased by 24.8% from ₹ 907.88 million for the half year ended September 30, 2017 to ₹ 1,133.13 million for the half year ended September 30, 2018.

Financial Year 2018 compared to Financial Year 2017

GDPI

Our GDPI increased by 28.8% from ₹ 39,353.51 million for the financial year 2017 to ₹ 50,690.79 million for the financial year 2018. This was primarily as a result of growth in the health segment where GDPI increased from ₹ 3,443.30 million for the financial year in 2017 to ₹ 7,820.84 million for the financial year 2018 as a result of our participation in the Rashtriya Swasthya Bima Yojana in the state of Kerala.

Our overall GDPI increase in this period was also driven by an increase in our motor GDPI by ₹ 5,218.35 million from ₹ 19,626.52 million for the financial year 2017 to ₹ 24,844.87 million for the financial year 2018. This increase was on account of (i) an increase in the number of policies written from 3.58 million in financial year 2017 to 3.94 million in financial year 2018 and (ii) an increase in average ticket size of premiums written for third party insurance policies as a result of an annual review and revision of premium rates by IRDAI for third-party motor insurance.

Premium on reinsurance ceded

Premium on reinsurance ceded increased from ₹ 17,757.47 million for the financial year 2017 to ₹ 19,587.69 million for the financial year 2018 and our reinsurance ceded increased by 10.3% as against our growth in GDPI of 28.8%, primarily as a result of an increase in our retained premium in segments such as weather and crop, and fire.

NEP

Our NEP increased by 36.7% from ₹ 20,890.56 million for the financial year 2017 to ₹ 28,556.61 million for the financial year 2018, due to an increase in NEP from motor, health and weather and crop segments.

Income from Investments (Revenue Account)

(₹ in million)

Income from Investments (Revenue Account)	Financial Year 2018	Financial Year 2017
Net Profit on sale and redemption of investments	435.07	1,144.87
Interest, Dividend and Rent – Gross	4,731.48	3,980.07
Income from Investments (Revenue Account)	**5,166.55**	**5,124.94**

Income from investments (revenue account) increased by ₹ 41.61 million from ₹ 5,124.94 million for the financial year 2017 to ₹ 5,166.55 million for the financial year 2018. This was primarily on account of an 18.9% increase in gross interest, dividend and rent from ₹ 3,980.07 million for the financial year 2017 to ₹ 4,731.48 million for the financial year 2018 due to an increase in the size of our investment portfolio, which was partially offset by a decrease in net profit on sale and redemption of investments from ₹ 1,144.87 million for the financial year 2017 to ₹ 435.07 million for the financial year 2018.

Investment income between revenue account and profit and loss account is allocated in the ratio of policyholders fund to shareholders fund. Investment income allocated to policyholders fund and shareholders fund was 85.5% and 14.5%, respectively, for the financial year 2018 and 83.7% and 16.3%, respectively, for the financial year 2017.

Other Income (Revenue Account)

(₹ in million)

Other Income (Revenue Account)	Financial Year 2018	Financial Year 2017
Foreign exchange Gain / (Loss)	0.47	(0.77)
Miscellaneous income	6.42	6.29
Other Income (Revenue Account)	**6.89**	**5.52**

Other income (revenue account) increased by 24.8% from ₹ 5.52 million for the financial year 2017 to ₹ 6.89 million for the financial year 2018, primarily due to foreign exchange gains.

Claims Incurred (Net)

(₹ in million)

Claim Incurred (Net)	Financial Year 2018	Financial Year 2017
Claims Paid – Direct	27,471.85	22,303.26
Claims Paid on reinsurance Accepted	53.37	101.79
Gross Claim Paid	**27,525.22**	**22,405.05**
Less: Claims Recovered on reinsurance ceded	10,551.16	10,104.00
Net Claim Paid	**16,974.06**	**12,301.05**
Increase / (Decrease) in claims outstanding	7,217.30	6,966.14
Claim Incurred (Net)	**24,191.36**	**19,267.19**

Claims incurred (net) increased by 25.6% from ₹ 19,267.19 million for the financial year 2017 to ₹ 24,191.36 million for the financial year 2018, primarily as a result of an increase in claims corresponding to an increase in our overall GDPI and an increase in our IBNR reserves.

Our IBNR reserves as at March 31, 2018 were estimated jointly by our Appointed Actuary and our Mentor Actuary and reviewed by an external peer. Our March 31, 2018 IBNR reserves estimation exercise is consistent with our March 31, 2017 IBNR reserves estimation exercise with regard to the underlying mathematical methods and the estimation process. However, the underlying data was updated between the March 31, 2017 IBNR reserves estimation exercise and the March 31, 2018 IBNR reserves estimation exercise, which led to an increase in certain lines of motor third party insurance IBNR reserves as at March 31, 2018 in comparison with March 31, 2017 (an overall increase in reserve of ₹ 1,589.85 million for all motor third party IBNR reserves).

To understand the consistency of the IBNR reserves estimation exercises as at March 31, 2018 and March 31, 2017 for the motor third party line of business, the IBNR reserves can be separated into two tranches below:

i) IBNR reserves pertaining to the business written up to March 31, 2017: Our IBNR reserves as at March 31, 2018 for this tranche are directly comparable to the IBNR reserves as at March 31, 2017.

Comparison of Ultimate Liabilities (₹ in million)			
Reserving Class of Business	**Ultimate Liabilities as on March 31, 2017**	**Ultimate Liabilities as on March 31, 2018**	**Change in Ultimate Liabilities (March 31, 2018 vs March 31, 2017)**
Indian Motor Third Party Insurance Pool (Former TP pool)	27,990.07	28,950.70	960.63
Indian Motor Third Party Decline Risk Pool (IMTPDRP)	88.30	89.71	1.41
Commercial Vehicle Third	18,725.96	18,824.63	98.67

Comparison of Ultimate Liabilities (₹ in million)			
Reserving Class of Business	**Ultimate Liabilities as on March 31, 2017**	**Ultimate Liabilities as on March 31, 2018**	**Change in Ultimate Liabilities (March 31, 2018 vs March 31, 2017)**
Party Liability			
Private Car Third Party Liability	6,526.72	6,649.86	123.13
Two Wheeler Third Party Liability	4,199.13	4240.53	41.40
Prior Year's Third Party Liability	8,295.84	8,660.44	364.60
Total	**65,826.02**	**67,415.87**	**1,589.85**

ii) Claims reserves pertaining to the business written in the financial year 2018: This portion of the reserves is not comparable to the reserves as at March 31, 2017 because these reserves, amounting to ₹ 7,488.52 million, were created after March 31, 2017.

Commission Paid (Net)

(₹ in million)

Commission (Net)	Financial Year 2018	Financial Year 2017
Commission paid – Direct	2,560.98	1,185.27
Commission paid on reinsurance accepted	13.96	20.57
Gross Commission paid	**2,574.94**	**1,205.84**
Less: Commission received from reinsurance ceded	3,150.67	2,896.68
Commission paid (Net)	**(575.73)**	**(1,690.84)**

Our gross commission paid increased from ₹ 1,205.84 million for the financial year 2017 to ₹ 2,574.94 million for the financial year 2018, primarily as a result of an increase in the motor commission rate pursuant to the notification of the Guidelines on Motor Insurance Service Providers by the IRDAI, which was offset by commission received from reinsurance ceded of ₹ 2,896.68 million for the financial year 2017 and ₹ 3,150.67 million for the financial year 2018.

Operating Expenses Related to Insurance Business

Operating expenses related to insurance business increased by 12.0% from ₹ 7,941.04 million for the financial year 2017 to ₹ 8,893.94 million for the financial year 2018, primarily due to an increase in employee's remuneration and welfare benefits, and advertising and publicity, service tax and GST expenses in line with business volume and inflation.

Our employee's remuneration and welfare benefits (revenue account) increased from ₹ 2,250.70 million for the financial year 2017 to ₹ 2,880.19 million for the financial year 2018, primarily due to annual increments in our employees' remuneration and an increase in the number of our employees.

Our employee's remuneration and welfare benefits (profit and loss account) increased from ₹ 43.15 million for the financial year 2017 to ₹ 51.66 million for the financial year 2018, primarily due to annual increments in the remuneration of our employees.

Our advertisement and publicity expenses increased from ₹ 3,504.40 million for the financial year 2017 to ₹ 3,685.55 million for the financial year 2018, primarily due to an increase in outdoor marketing campaigns to increase customer awareness for our retail lines of businesses.

Our weather and crop insurance expenses increased from ₹ 189.94 million for the financial year 2017 to ₹ 288.51 million for the financial year 2018, primarily due to an increase in bank collection charges for weather and crop business.

Our service tax and GST expenses increased from ₹ 103.02 million for the financial year 2017 to ₹ 187.12 million for the financial year 2018, primarily due to taxes which were not available as input credits, reversal of credit on account of an increase in exempt premiums in our weather and crop business, and reversal of input credit on motor claims.

Operating Profit

Our operating profit increased from ₹ 503.63 million for the financial year 2017 to ₹ 1,220.48 million for the financial year 2018.

Income from Investments (Profit and Loss Account)

(₹ in million)

Income from Investments (Profit and Loss Account)	Financial Year 2018	Financial Year 2017
Net Profit on sale and redemption of investments	73.73	222.32
Interest, Dividend and Rent – Gross	801.81	772.87
Income from Investments (Profit and Loss Account)	**875.54**	**995.19**

Income from investments (profit and loss account) decreased by ₹ 119.65 million, from ₹ 995.19 million for the financial year 2017 to ₹ 875.54 million for the financial year 2018. This was primarily on account of a decrease in net profit on sale and redemption of investments from ₹ 222.32 million for the financial year 2017 to ₹ 73.73 million for the financial year 2018, partially offset by an increase in gross interest, dividend and rent from ₹ 772.87 million for the financial year 2017 to ₹ 801.81 million for the financial year 2018 due to an increase in the size of our portfolio.

Investment income between revenue account and profit and loss account is allocated in the ratio of policyholders fund to shareholders fund. Investment income allocated to policyholders fund and shareholders fund was 85.5% and 14.5%, respectively, for the financial year 2018 and 83.7% and 16.3% respectively, for the financial year 2017.

Other Income (Profit and Loss Account)

Other income (profit and loss account) increased from ₹ 9.62 million for the financial year 2017 to ₹ 20.95 million for the financial year 2018, on account of an increase in miscellaneous income from ₹ 5.21 million for the financial year 2017 to ₹ 18.52 million for the financial year 2018.

Other Expenses

Other expenses increased from ₹ 210.94 million for the financial year 2017 to ₹ 316.98 million for the financial year 2018. This was primarily on account of an increase in interest on debentures, which were issued in August 2016 and interest thereon was recorded proportionately for the financial year 2017, whereas for the financial year 2018, the interest for the full year was recorded.

Profit Before Tax

Our profit before tax increased by 29.0% from ₹ 1,278.73 million for the financial year 2017 to ₹ 1,650.03 million for the financial year 2018.

Provision for Taxation

Provision for current tax increased by 28.3% from ₹ 299.80 million for the financial year 2017 to ₹ 384.53 million for the financial year 2018, due to an increase in profit before tax. We had unabsorbed depreciation and accumulated brought forward losses from previous years and had to provide for MAT in accordance with applicable laws.

Our provision for current tax was set-off by a MAT credit entitlement, in accordance with the recommendations contained in guidance note issued by the ICAI, and in accordance with the provision of Income Tax Act, 1961. MAT credit is recognized as an asset to the extent there is convincing evidence that we will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

Profit After Tax

Our profit after tax increased by 28.2% from ₹ 1,287.28 million for the financial year 2017 to ₹ 1,650.03 million for the financial year 2018.

Financial Year 2017 compared to Financial Year 2016

GDPI

Our GDPI increased by 41.0% from ₹ 27,916.55 million for the financial year 2016 to ₹ 39,353.51 million for the financial year 2017. This was primarily as a result of an increase in our weather and crop GDPI from ₹ 1,126.25 million for the financial year 2016 to ₹ 10,894.35 million for the financial year 2017, as a result our participation in the Pradhan Mantri Fasal Bima Yojana ("**PMFBY**") program under which weather and crop insurance policies are subsidized by the Government of India.

Our overall GDPI increase in this period was also driven by an increase in our motor GDPI by 18.2% from ₹ 16,605.25 million for the financial year 2016 to ₹ 19,626.52 million for the financial year 2017. This increase was on account of (i) an increase in average ticket size of premiums written and (ii) an increase in GDPI for third party insurance policies as a result of an annual review and revision of premium rates by IRDAI for third-party motor insurance.

Increases in our GDPI in weather and crop and motor third party off-set a decrease of 35.9% in our health GDPI to ₹ 3,443.30 million for the financial year 2017 from ₹ 5,371.85 million for the financial year 2016. This decrease was primarily as a result of us not being awarded the tender for the Rashtriya Swasthya Bima Yojana scheme for the state of Kerala, which we had been awarded in the previous financial year.

Premium on reinsurance ceded

Premium on reinsurance ceded increased from ₹ 8,469.47 million for the financial year 2016 to ₹ 17,757.47 million for the financial year 2017, primarily as a result of the increased in overall GDPI in sectors for which proportionally higher levels of reinsurance are typically obtained by us, such as weather and crop insurance.

NEP

Our NEP increased by 4.5% from ₹ 19,994.52 million for the financial year 2016 to ₹ 20,890.56 million for the financial year 2017, due to an increase in NEP from motor and weather and crop segments. The overall increase in NEP was not as large as the corresponding increase in GDPI, since the weather and crop insurance segment had a higher level of reinsurance and consequently had a less pronounced effect on NEP.

Income from Investments (Revenue Account)

(₹ in million)

Income from Investments (Revenue Account)	Financial Year 2017	Financial Year 2016
Net Profit on sale and redemption of investments	1,144.87	772.30
Interest, Dividend and Rent – Gross	3,980.07	3,809.42
Income from Investments (Revenue Account)	**5,124.94**	**4,581.72**

Income from investments (revenue account) increased by ₹ 543.22 million from ₹ 4,581.72 million for the financial year 2016 to ₹ 5,124.94 million for the financial year 2017. This was primarily on account of a 48.2% increase in the net profit recorded on sale and redemption of investments that was driven by increasing the duration of the debt portfolio in a falling interest rate scenario. Profit on redemption of mutual funds increased by 3.4% from ₹ 270.85 million for the financial year 2016 to ₹ 280.01 million for the financial year 2017. An increase in our portfolio size from the previous year resulted in a 4.5% increase in the gross interest, dividend and rent recorded, which saw an increase of ₹ 170.65 million from ₹ 3,809.42 million for the financial year 2016 to ₹ 3,980.07 million for the financial year 2017.

Investment income between revenue account and profit and loss account is allocated in the ratio of policyholders fund to shareholders fund. Investment income allocated to policyholders fund and shareholders fund was 83.7% and 16.3%, respectively, for the financial year 2017 and 85.8% and 14.2% respectively, for the financial year 2016.

Other Income (Revenue Account)

(₹ in million)

Other Income (Revenue Account)	Financial Year 2017	Financial Year 2016
Foreign exchange Gain / (Loss)	(0.77)	(0.61)
Miscellaneous income	6.29	14.29
Other Income (Revenue Account)	**5.52**	**13.68**

Other income (revenue account) decreased by 59.6% to ₹ 5.52 million for the financial year 2017 from ₹ 13.68 million for the financial year 2016, primarily due to a decrease in miscellaneous income.

Claims Incurred (Net)

(₹ in million)

Claim Incurred (Net)	Financial Year 2017	Financial Year 2016
Claims Paid – Direct	22,303.26	20,294.38
Claims Paid on reinsurance Accepted	101.79	170.10
Gross Claim Paid	**22,405.05**	**20,464.48**
Less: Claims Recovered on reinsurance ceded	10,104.00	5,374.80
Net Claim Paid	**12,301.05**	**15,089.68**
Increase / (Decrease) in claims outstanding	6,966.14	2,785.46
Claim Incurred (Net)	**19,267.19**	**17,875.14**

Claims incurred (net) increased by 7.8% from ₹ 17,875.14 million for the financial year 2016 to ₹ 19,267.19 million for the financial year 2017, primarily as a result of an increase in claims outstanding reserves related to motor third party policies, required as a result of a panel actuary report. During the financial year 2017, IRDAI required us to employ the services of a panel actuary for liability assessment as on March 31, 2016, since we were in the process of hiring an appointed actuary. Based on the review conducted by the panel actuary, we strengthened our reserves by ₹ 1,713.93 million.

Our IBNR reserves as at March 31, 2017 were estimated jointly by our Appointed Actuary and our Mentor Actuary. Our March 31, 2017 IBNR reserves estimation exercise is consistent with our March 31, 2016 IBNR reserves estimation exercise with regard to the underlying mathematical methods and the estimation process. However, the underlying data was updated between the March 31, 2016 IBNR reserves estimation exercise and the March 31, 2017 IBNR reserves estimation exercise. This caused both, an increase and decrease of various motor third party lines of business IBNR reserves as at March 31, 2017 as compared to as at March 31, 2016 (resulting in an overall increase in reserve of ₹942.9 million for all motor third party IBNR reserves).

To understand the consistency of the IBNR reserves estimation exercises as at March 31, 2016 and March 31, 2017 for the motor third party line of business, the IBNR reserves can be broken down into two tranches below:

i) IBNR reserves pertaining to the business written up to March 31, 2016: Our IBNR reserves as at March 31, 2017 for this tranche are directly comparable to the IBNR reserves as at March 31, 2016.

Comparison of Ultimate Liabilities (₹ in million)			
Reserving Class of Business	**Ultimate Liabilities as on March 31, 2016**	**Ultimate Liabilities as on March 31, 2017**	**Change in Ultimate Liabilities (March 31, 2017 vs March 31, 2016)**
Indian Motor Third Party Insurance Pool (Former TP pool)	27,103.63	27,990.07	886.44
Indian Motor Third Party Decline Risk Pool (IMTPDRP)	87.51	87.51	-
Commercial Vehicle Third Party Liability*	15,720.80	14,585.67	(1,135.13)
Private Car Third Party Liability	5,089.20	5,548.73	459.53
Two Wheeler Third Party Liability	2,650.81	2,956.54	305.73
Prior Year's Third Party Liability	7,820.01	8,246.34	426.33
Total	**58,471.96**	**59,414.86**	**942.90**

**This resulted in the ULR for commercial vehicles decreasing for the financial years 2010 to 2013, 2014 and 2015.*

Such movement represents about 2.4% of the total reserves (net IBNR and net outstanding) held by us as on March 31, 2017.

ii) Claims reserves pertaining to the business written in the financial year 2017: This portion of the reserves is not comparable to the reserves as at March 31, 2016 because such reserves, amounting to ₹ 6,311.10 million, were created after March 31, 2016.

The impact of the aforementioned strengthening of reserves (6.2% of the total claims outstanding as at March 31, 2016) was recorded in the financial year 2017.

Commission Paid (Net)

(₹ in million)

Commission (Net)	Financial Year 2017	Financial Year 2016
Commission paid – Direct	1,185.27	1,115.64
Commission paid on reinsurance accepted	20.57	31.84
Gross Commission paid	**1,205.84**	**1,147.48**
Less: Commission received from reinsurance ceded	2,896.68	1,397.85
Commission paid (Net)	**(1,690.84)**	**(250.37)**

Commission received (net) increased from ₹ 250.37 million for the financial year 2016 to ₹ 1,690.84 million for the financial year 2017, primarily as a result of an increase in commission received from reinsurance ceded. This increase was primarily due to the increase in GDPI derived from our weather and crop segments, which typically have higher levels of reinsurance.

Operating Expenses Related to Insurance Business

Operating expenses related to insurance business increased by 21.4% from ₹ 6,543.22 million for the financial year 2016 to ₹ 7,941.04 million for the financial year 2017, primarily due to an increase in employee's remuneration and welfare benefits, advertisement and publicity expenses, miscellaneous expenses and service tax expenses in line with the increase in business volumes and inflation.

Our employee's remuneration and welfare benefits (revenue account) increased from ₹ 1,990.24 million for the financial year 2016 to ₹ 2,250.70 million for the financial year 2017, primarily due to a 7.7 % increase in our employee base during the year due to growth in our business volume and annual increments given to employees.

Our employee's remuneration and welfare benefits (profit and loss account) increased from ₹ 36.58 million for the financial year 2016 to ₹ 43.15 million for the financial year 2017, primarily due to annual increments given to employees.

Our advertisement and publicity expenses increased from ₹ 2,585.26 million for the financial year 2016 to ₹ 3,504.40 million for the financial year 2017, primarily due to an increase in outdoor marketing campaigns to increase customer awareness for our retail lines of businesses.

Our weather and crop insurance expenses increased from ₹ 31.04 million for the financial year 2016 to ₹ 189.94 million for the financial year 2017, primarily due to higher business volumes in our weather and crop business.

Our service tax and GST expenses increased from ₹ 81.82 million for the financial year 2016 to ₹ 103.02 million for the financial year 2017, primarily due to taxes, which were not available as an input credit due to an increase in exempt premium under weather and crop line of business.

Operating Profit

Our operating profit increased from ₹ 421.93 million for the financial year 2016 to ₹ 503.63 million for the financial year 2017.

Income from Investments (Profit and Loss Account)

(₹ in million)

Income from Investments (Profit and Loss Account)	Financial Year 2017	Financial Year 2016
Net Profit on sale and redemption of investments	222.32	127.83
Interest, Dividend and Rent – Gross	772.87	630.53
Income from Investments (Profit and Loss Account)	**995.19**	**758.36**

Income from investments (profit and loss account) increased by ₹ 236.83 million, from ₹ 758.36 million for the financial year 2016 to ₹ 995.19 million for the financial year 2017. This was primarily on account of a 73.9% increase in the net profit recorded on sale and redemption of investments that was driven by increasing the duration of the debt portfolio in a falling interest rate scenario. Profit on redemption of mutual funds increased by 21.3% from ₹ 44.83 million for the financial year 2016 to ₹ 54.38 million for the financial year 2017. An increase in our portfolio size from the previous year resulted in a 22.6% increase in the gross interest, dividend and rent recorded.

Investment income between revenue account and profit and loss account is allocated in the ratio of policyholders fund to shareholders fund. Investment income allocated to policyholders fund and shareholders fund was 83.7% and 16.3%, respectively, for the financial year 2017 and 85.8% and 14.2% respectively, for the financial year 2016.

Other Income (Profit and Loss Account)

Other income (profit and loss account) increased by 44.9% from ₹ 6.64 million for the financial year 2016 to ₹ 9.62 million for the financial year 2017, on account of excess provisions written back of ₹ 4.48 million.

Other Expenses

Other expenses increased from ₹ 149.64 million for the financial year 2016 to ₹ 210.94 million for the financial year 2017, primarily on account of interest expense of ₹ 131.43 million relating to debentures issued by us during the financial year 2017.

Profit Before Tax

Our profit before tax increased by 25.6% from ₹ 1,017.89 million for the financial year 2016 to ₹ 1,278.73 million for the financial year 2017.

Provision for Taxation

Provision for current tax increased by 44.7% from ₹ 207.17 million for the financial year 2016 to ₹ 299.80 million for the financial year 2017, due to an increase in profit before tax. We had unabsorbed depreciation and accumulated brought forward losses from previous years and had to provide for MAT in accordance with applicable laws.

Our provision for current tax was set-off by a MAT credit entitlement, in accordance with the recommendations contained in guidance note issued by the ICAI, and in accordance with the provision of Income Tax Act, 1961. MAT credit is recognized as an asset to the extent there is convincing evidence that we will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

Our provision for deferred tax decreased from ₹ 9.36 million in the financial year 2016 to a credit of ₹ 8.55 million in the financial year 2017, due to timing differences arising from periodic restated profit before tax.

Profit After Tax

Our profit after tax increased by 27.6% from ₹ 1,008.53 million for the financial year 2016 to ₹ 1,287.28 million for the financial year 2017.

Financial Position

The following table shows our balance sheet on the following dates:

(₹ in million)

Particulars	**As at September 30, 2018**	**As at September 30, 2017**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**
Share Capital	2,515.50	2,515.50	2,515.50	1,257.75	1,227.75
Reserves and Surplus	12,517.15	10,793.50	11,535.65	11,219.06	9,061.78
Share Application Money Pending Allotment	-	-	-	-	900.00
Total Equity	**15,032.65**	**13,309.00**	**14,051.15**	**12,476.81**	**11,189.53**
Current Liabilities	69,305.46	58,617.79	63,436.08	51,160.00	42,648.57
Provisions	18,860.55	14,771.87	13,763.62	10,734.17	9,249.92
Fair Value Change Account- Shareholder	(49.96)	15.36	(11.34)	15.00	(19.81)
Fair Value Change Account- Policyholder	(264.66)	66.87	(66.90)	77.31	(119.73)
Borrowings	2,800.00	2,300.00	2,300.00	2,300.00	-
Total Liabilities	**90,651.39**	**75,771.89**	**79,421.46**	**64,286.48**	**51,758.95**
Total Equity & Liabilities	**105,684.04**	**89,080.89**	**93,472.61**	**76,763.29**	**62,948.48**

Total Investments	86,498.74	72,802.46	79,988.64	67,242.66	53,813.73
Fixed Assets (Net Block)	338.79	309.00	361.25	321.74	339.18
Deferred Tax Assets	372.74	372.74	372.74	372.74	364.18
Cash and Bank Balances	1,580.66	905.16	3,373.15	1,252.85	1,013.02
Advances and Other Assets	16,893.11	14,691.53	9,376.83	7,573.30	7,418.37
Debit Balance in Profit & Loss Account	-	-	-	-	-
Total Assets	**105,684.04**	**89,080.89**	**93,472.61**	**76,763.29**	**62,948.48**

Our total assets increased by 21.8% from ₹ 76,763.29 million as at March 31, 2017 to ₹ 93,472.61 million as at March 31, 2018, primarily due to an increase in total investments from ₹ 67,242.66 million for the financial year 2017 to ₹ 79,988.64 million for the financial year 2018 and an increase in advances and other assets from ₹ 7,573.30 million for the financial year 2017 to ₹ 9,376.83 million for the financial year 2018.

Our total liabilities increased by 23.5% from ₹ 64,286.48 million as at March 31, 2017 to ₹ 79,421.46 million as at March 31, 2018, primarily due to an increase in current liabilities from ₹ 51,160.00 million for the financial year 2017 to ₹ 63,436.08 million for the financial year 2018 and an increase in provisions from ₹ 10,734.17 million for the financial year 2017 to ₹ 13,763.62 million for the financial year 2018.

Liquidity and Capital Resources

The following table sets forth, for the periods indicated, a summary of cash flows from our restated summary statement of receipts and payments account.

(₹ in million)

Particulars	**For the half year ended September 30, 2018**	**For the half year ended September 30, 2017**	**Financial Year 2018**	**Financial Year 2017**	**Financial Year 2016**
Net Cash flow generated from/(used in) operating activities	1,919.40	1,004.66	8,615.34	5,906.63	(332.92)
Net Cash flow generated from/(used in) investing activities	(3,484.37)	(1,622.76)	(6,247.49)	(7,485.16)	228.02
Net Cash flow generated from/(used in) financing activities	112.97	(284.99)	(286.29)	2,253.37	(105.17)

Cash flows from operating activities

Net cash generated from operating activities was ₹ 1,919.40 million for the half year ended September 30, 2018 as compared to net cash generated of ₹ 1,004.66 million for the half year ended September 30, 2017. This change was primarily due to an increase in premiums received from policyholders, which was partially offset by an increase in direct claims paid and direct commission/brokerage payments.

Net cash generated from operating activities was ₹ 5,906.63 million in the financial year 2017 as compared to net cash generated of ₹ 8,615.34 million in the financial year 2018. This change was primarily due to an increase in premiums received from policyholders due to an increase in GDPI, partially offset by an increase in operating expenses and payment to reinsures, net of commissions and claims.

Net cash used in operating activities was ₹ 332.92 million in the financial year 2016 as compared to net cash generated of ₹ 5,906.63 million in the financial year 2017. This change was primarily due to an increase in premiums received from policyholders due to increase in GDPI, partially offset by an increase in the payment of operating expenses and payment to reinsures, net of commissions and claims.

Cash flows from investing activities

Net cash used in investing activities was ₹ 3,484.37 million for the half year ended September 30, 2018 as compared to net cash used in ₹ 1,622.76 million for the half year ended September 30, 2017. This change was primarily due to an increase in net purchase of equity and fixed income investments and an increase in net investments in money market instruments and liquid mutual funds.

Net cash used in investing activities was ₹ 7,485.16 million for the financial year 2017 as compared to net cash used of ₹ 6,247.49 million for the financial year 2018. This change was primarily due to an increase in net purchase of equity and fixed income investments and an increase in net investments in money market instruments and liquid mutual funds, mainly from funds generated from operating activities.

Net cash generated from investing activities was ₹ 228.02 million for the financial year 2016 as compared to net cash flows used of ₹ 7,485.16 million for the financial year 2017. This change was primarily due to an increase in net purchase of equity and fixed income investments and an increase in net investments in money market instruments and liquid mutual funds, mainly from funds generated from operating activities.

Cash flows from financing activities

Net cash generated from financing activities was ₹ 112.97 million for the half year ended September 30, 2018 as compared to net cash used of ₹ 284.99 million in the half year ended September 30, 2017, primarily on account of short term borrowings under collateralized borrowing and lending obligation of ₹ 500 million.

Net cash generated from financing activities was ₹ 2,253.37 million for the financial year 2017 as compared to net cash used of ₹ 286.29 million for the financial year 2018, primarily due to the increase in outflow resulting from the interest on our borrowings.

Net cash used in financing activities was ₹ 105.17 million in the financial year 2016 as compared to net cash generated of ₹ 2,253.37 million for the financial year 2017. This increase was primarily the result of the issue of the debentures by us during the financial year 2017 amounting to ₹ 2,300.00 million towards Tier 2 capital.

Key Performance Indicators

In evaluating our business, we consider and use non-GAAP financial measures and key performance indicators that are presented below, as supplemental measures to review and assess our operating performance. The presentation of these non-GAAP financial measures and key performance indicators is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with Indian GAAP. We present these non-GAAP financial measures and key performance indicators because they are used by our management to evaluate our operating performance and formulate our business strategy.

These non-GAAP financial measures are not defined under Indian GAAP and are not presented in accordance with Indian GAAP. The non-GAAP financial measures and key performance indicators have limitations as analytical tools. Further, these non-GAAP financial measures and key performance indicators may differ from the similar information used by other companies, including peer companies, and therefore their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to profit before tax, surplus before tax, net earned premiums, gross earned premiums or any other measure of performance or as an indicator of our operating performance, liquidity or profitability or results of operations.

The following table sets forth our key performance indicators for the periods indicated:

Particulars	For the Half Year ended September 30, 2018	For the Half Year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
GDPI(₹ *in million)*	35,689.82	29,453.14	50,690.79	39,353.51	27,916.55
GDPI growth rate (%)	21.2%	26.9%	28.8%	41.0%	2.1%
GWP(₹ *in million)*	35,958.82	29,658.94	51,223.14	40,070.94	28,680.73
Total Investment Income *(₹ in million)*	3,335.57	3,024.43	6,042.09	6,120.13	5,340.08
Investment Leverage (1) (2) (times)	5.57	5.30	5.53	5.21	4.81
Loss Ratio (%)	85.3%	83.8%	84.7%	92.2%	89.4%
Net Expense Ratio (%)	20.7%	23.1%	26.3%	28.0%	31.1%
Combined Ratio (%)	106.0%	106.9%	111.0%	120.2%	120.5%
Adjusted Combined Ratio (%)	92.6%	93.1%	94.7%	97.3%	97.9%
Solvency Ratio (2) (times)	1.71	1.73	1.68	1.68	1.55
Return on Equity(3) (%)	7.5%	6.8%	11.7%	10.3%	9.0%

(1) Investment leverage is computed net of borrowings.
(2) As measured at the end of the respective periods.
(3) Return on equity for the half years ended September 30, 2018 and September 30, 2017 are not annualized.

Loss ratio

Loss ratio is the ratio of the claims incurred (net) to NEP. Our loss ratio decreased from 92.2% for the financial year 2017 to 84.7% for the financial year 2018. This improvement was primarily due to a decrease in the loss ratio in the fire, motor third party and weather and crop segments, which were partly offset by an increase in the loss ratio in the marine and health segments.

Our loss ratio increased from 89.4% for the financial year 2016 to 92.2% for the financial year 2017. This increase was primarily due to an increase in loss ratio of fire insurance and the increase in the IBNR reserve in respect of motor third party insurance, following the recommendation of the approved panel actuary.

The segmental breakdown of our loss ratio is set forth in the table below.

Segment	**% Contribution to NEP in the financial year 2018**	**For the half year ended September 30, 2018**	**For the half year ended September 30, 2017**	**Financial Year 2018**	**Financial Year 2017**	**Financial Year 2016**
Fire	2.7%	69.8%	81.6%	61.4%	107.0%	64.7%
Marine Cargo	0.2%	389.5%	119.3%	108.8%	104.4%	117.5%
Marine Hull	0.0%	-99.0%	838.1%	819.5%	-22.4%	65.7%
Marine Total	0.2%	376.2%	125.3%	116.0%	103.2%	117.3%
Motor:						
Motor OD	29.5%	71.5%	57.3%	59.1%	55.0%	57.1%
Motor TP	31.3%	91.8%	100.4%	102.6%	124.5%	113.8%
Motor Total	60.8%	82.2%	79.3%	81.5%	91.4%	87.3%
Employer's Liability	0.3%	70.0%	66.4%	86.6%	112.0%	46.5%
Public Liability	0.3%	29.2%	49.5%	56.0%	67.0%	36.5%
Engineering	0.7%	128.9%	124.0%	65.9%	34.9%	62.2%
Aviation	0.0%	-92.6%	-30.9%	15.6%	9.4%	42.5%
Personal Accident	1.1%	42.0%	55.9%	90.4%	164.1%	98.9%
Health	22.4%	100.9%	103.7%	107.3%	91.2%	95.6%
Weather and Crop Insurance	10.5%	70.3%	72.8%	68.8%	94.1%	155.8%
Other Misc.	1.0%	24.3%	21.6%	15.9%	32.9%	52.3%
Total	100.0%	85.3%	83.8%	84.7%	92.2%	89.4%

Liabilities towards outstanding claims can be categorized into the short tail and long tail. For general insurance companies, motor third party liabilities are generally long tail in nature as claims are settled through the Motor Accident Claims Tribunal and the average settlement period is quite long. In our case, motor third party liabilities constitute 81.2% of the total claims liabilities as on September 30, 2018. Considering the long tail nature of settlement, we earn interest for a longer duration on the policyholders' funds. As per accounting regulations, interest paid on third party claims are accounted under incurred claims, however average investment income earned on these funds are part of the total investment income of the company and ignored for incurred claim ratio computation. Had the income earned on funds pertaining to motor third party outstanding claims considered for claims or combined ratio computation, our adjusted claims ratio and combined ratio would have been lower.

Our loss ratio for fire insurance decreased from 107.0% for the financial year 2017 to 61.4% for the financial year 2018. The improvement in our fire loss ratio was due to favorable claims experience in the fire segment in the financial year 2018. Our loss ratio for fire insurance increased from 64.7% for the financial year 2016 to 107.0% for the financial year 2017. The increase in our fire loss ratio was due to certain major claims in our fire sector, which had a severe impact on loss ratio.

Net expense ratio

Net expense ratio is the ratio of the sum of operating expenses related to insurance business and commission paid (net) to the NWP. The net expense ratio is a measure of an insurance company's operational efficiency.

Our net expense ratio declined from 28.0% for the financial year 2017 to 26.3% for the financial year 2018. Our total operating expenses and net commission increased by ₹ 2,068.01 million from ₹ 6,250.20 million for the financial year 2017 to ₹ 8,318.21 million for the financial year 2018 while our net premium increased by ₹ 9,321.98 million from ₹ 22,313.47 million for the financial year 2017 to ₹ 31,635.45 million for the financial year 2018. Total incremental expenses constituted 22.2% of incremental net premium.

Our net expense ratio improved from 31.1% for the financial year 2016 to 28.0% for the financial year 2017. This decrease was primarily due to the increase in commission received from reinsurance ceded in relation to the crop insurance business, which typically has lower retention rates and higher commission received from reinsurance

Combined ratio

Combined ratio is the sum of loss ratio, expense ratio and commission ratio. The combined ratio is a measure of the profitability of an insurance company's underwriting business. A ratio below 100% usually indicates that the insurance company generates a margin in its insurance operations, while a ratio above 100% usually indicates that insurance company is paying out more money in claims and operating expenses than it is receiving from premiums.

Particulars	For the half year ended September 30, 2018	For the half year ended September 30, 2017	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Combined Ratio	106.0%	106.9%	111.0%	120.2%	120.5%

Adjusted Combined Ratio

Adjusted combined ratio is calculated as combined ratio less the ratio of policyholder share of investment income to net written premium. We believe that, in the Indian context, combined ratio may not be the most accurate indicator of the underlying business profitability as the yield on investments in India is reasonably high and assets backing the technical reserves earn investment income. We have accordingly also included information on our adjusted combined ratio, which we believe is a more accurate performance indicator depicting the operational profitability of a company.

Particulars	For the half year ended September 30, 2018	For the half year ended September 30, 2017	Financial Year 2018	Financial Year 2017	Financial Year 2016
Adjusted Combined Ratio	92.6%	93.1%	94.7%	97.3%	97.9%

Solvency Ratio

Solvency ratio is a regulatory measure of capital adequacy, calculated by dividing available solvency margin by required solvency margin, each as calculated in accordance with the guidelines of the IRDAI. The IRDAI has set a solvency ratio control limit of 1.50 times.

Our solvency ratio was 1.71 for the half year ended September 30, 2018 and 1.73 for the half year ended September 30, 2017.

Our solvency ratio remained constant at 1.68 times as of March 31, 2017 and March 31, 2018, primarily due to the growth in profit being able to meet the incremental demand in solvency margin.

Our solvency ratio increased from 1.55 times as of March 31, 2016 to 1.68 times as of March 31, 2017, primarily due to the growth in our profit after tax from ₹ 1,008.53 million to ₹ 1,287.28 million during the same period and since our Company raised ₹ 2,300 million through the issue of the debentures during the financial year 2017.

Return on equity

Return on equity is the ratio of profit after tax to the net worth of a company. It is a measure of the ability of a company to generate profits on its shareholders' investments.

Our return on equity increased from 10.3% for the financial year 2017 to 11.7% for the financial year 2018. This increase was primarily due to the growth in our profit after tax from ₹ 1,287.28 million for the financial year 2017 to ₹ 1,650.03 million for the financial year 2018.

Our return on equity increased from 9.0% for the financial year 2016 to 10.3% for the financial year 2017. This increase was primarily due to the growth in our profit after tax from ₹ 1,008.53 million for the financial year 2016 to ₹ 1,287.28 million for the financial year 2017.

Contingent Liabilities

From time to time we may be contingently liable with respect to litigation and claims that arise in the normal course of operations as reported in the "*Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Notes to accounts—Statutory disclosures as required by IRDAI—Contingent Liabilities*".

As of September 30, 2018, we had the following contingent liabilities:

(in ₹ million)

Particulars	As of September 30, 2018
Statutory demands/liabilities in dispute, not provided for	549.50
Claims, other than those under policies, not acknowledged as debt	10.53
Guarantees given by or on behalf of our Company	12.49
Others	13. 93
Total	**586.45**

Borrowings

As of September 30, 2018, we had borrowings of ₹ 2,800.00 million, total net worth of ₹ 15,032.65 million and a total debt to net worth ratio of 18.6%.

During the financial year 2017, we raised ₹ 2,300.00 million through an issue of the debentures, which qualifies as "other forms of capital" under the Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015.

Seasonality

The insurance sector is subject to seasonal fluctuations in operating results and cash flow. Most Indian corporations purchase general insurance in the beginning of the fiscal year, and consequently, we see an increase in premiums received from our corporate customers in April of every year. In addition, certain individual insurance purchases are concentrated around the third and fourth quarters of the fiscal year due to increase in sales of motor vehicles in the festive season and due to certain tax benefits related to the purchase of health or motor insurance, respectively. Weather and crop insurance purchases are concentrated around the two most-common sowing seasons, Kharif and Rabi that take place in the second and third quarters of the year.

As a result of these factors, we may be subject to seasonal fluctuations in operating results and cash flows during any interim financial period, and consequently, such results cannot be used as an indication of our annual results, and cannot be relied upon as an indicator of our future performance.

Material Contractual Obligations

As of September 30, 2018, we did not have any material contractual obligations or commercial commitments, including long-term debt, rental commitments, operating lease commitments, purchase obligations or other capital commitments, other than contractual obligations under insurance and investment contracts we enter into in our ordinary course of business and other than those as set forth in "*Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Notes to accounts—Statutory disclosures as required by IRDAI—Commitments*" and summarized below:

In respect of fixed assets (net of advances), we had an estimated ₹ 36.92 million, ₹ 66.41 million, ₹ 28.81 million, ₹ 28.57 million and ₹ 91.62 million in obligations on contracts remaining to be executed as at September 30, 2018, September 30, 2017, March 31, 2018, March 31, 2017 and March 31, 2016 respectively.

Off-Balance Sheet Arrangements

As of the date of this Draft Red Herring Prospectus, we had no off-balance sheet arrangements.

Known Trends or Uncertainties

Our business has been impacted, and we expect will continue to be impacted, by the trends identified above in "—*Significant Factors Affecting our Results of Operations*" on page 324 and the uncertainties described in "*Risk Factors*" on page 21.

Suppliers or Customer Concentration

We do not have any material dependence on a single or few suppliers or customers.

Future Relationship between Cost and Revenue

Other than as described in "*Risk Factors*" and this section, there are no known factors that might affect the future relationship between cost and revenue.

Unusual or Infrequent Events or Transactions

To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no events or transactions relating to us which, in our judgment, would be considered unusual or infrequent.

New Products or Business Segments

Except as disclosed in "*Our Business*" on page 145 of this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections "*Risk Factors*" and "*Our Business*" on pages 21 and 145, respectively, of this Draft Red Herring Prospectus.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

See "*Risk Factors - Internal Risk Factors - We are exposed to significant market risk, including changes in interest rates that could impair the value of our investment portfolio, which could lead to an adverse effect on our results of operations and financial condition*." on page 36.

Significant Developments after September 30, 2018

According to our Directors, other than as disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstances since September 30, 2018, which materially and adversely affect or are likely to affect the trading of our Equity Shares, our profitability, the value of its assets, or our ability to pay our liabilities within the next twelve months.

Recent Accounting Pronouncements

As of the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements, which would have a material effect on our financial condition or results of operations.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2018, on the basis of our Restated Financial Statements. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Statements*" and "*Risk Factors*" beginning on pages 323, 234 and 21, respectively.

Particulars	**Pre-offer as at September 30, 2018 (in ₹ million)**
Debt:	
Short term borrowings	500.00
Long term borrowings (including current maturity, if any)	2,300.00
Total debt (A)	**2,800.00**
Shareholders' Funds:	
Equity Share Capital	2,515.50
Reserves and Surplus	12,517.15
Money received against share warrants	-
Total Shareholders' Funds (B)	**15,032.65**
Long term Debt/Equity Ratio	**0.15**

Notes:

1) *The above has been computed on the basis of the restated statements of assets and liabilities of the company as on September 30, 2018.*
2) *The company is proposing to have public issue of shares comprising of offer for sale by the Promoter Selling Shareholder and issue of new equity shares.*
3) *The corresponding post-Offer capitalisation data for each of the above amounts given in the table is not determinable at this stage pending the completion of book building process and hence, the same have not been provided in the above statement.*

FINANCIAL INDEBTEDNESS

As on December 31, 2018, our Company has issued listed, rated, unsecured and redeemable non-convertible debentures for an amount aggregating up to ₹2,300 million, and has availed of certain bank guarantee facilities from Yes Bank Limited, HDFC Bank Limited and the Hongkong and Shanghai Banking Corporation Limited, amounting in aggregate to ₹ 12.49 million, in favour of various persons and entities.

Set forth below is a brief summary of our aggregate borrowings as on December 31, 2018:

Category of borrowing	Outstanding amount (in ₹ million)
Non-convertible debentures	2,300.00
Bank guarantees	12.49
Total outstanding amount	2,312.49

For details of the outstanding indebtedness obligations of our Company for the last three Fiscals and the six months ended September 30, 2018, please see the "*Financial Statements*" on page 234.

Principal terms of the non-convertible debenture availed by our Company:

The non-convertible debentures ("**NCDs**") issued by us are issued pursuant to the Insurance Regulatory Development Authority of India (Other Forms of Capital) Regulations, 2015, which governs, *inter alia*, the procedure for issue of such NCDs, interest rates and redemption period. The details provided below are indicative and there may be additional terms, conditions and requirements under the NCDs issued by us:

1. ***Interest:*** The interest rate for the NCDs is 9.10% per annum.

2. ***Redemption date:*** The maturity date for the NCDs is on August 17, 2026.

3. ***Security:*** The non-convertible debentures issued by our Company are unsecured.

4. ***Coupon payment and maturity dates****:* The coupon amount is payable annually on August 16/17 of each year starting with August 16, 2017.

5. ***Default:*** Events of default in relation to the NCDs are, *inter alia*:

(a) default in payment of the principal amount of the debentures on the redemption date, or default in payment of any interest on the NCDs on the due date;
(b) if our Company ceases or threatens to cease to carry on its business or gives notice of its intention to do so;
(c) if our Company is unable to pay its debts within the meaning of Section 434 of the Companies Act, 2013;
(d) if our Company enters into any amalgamation, reorganisation or reconstruction without the prior consent of the debenture trustee; and
(e) our Company taking or suffering any action for reorganization of our capital, without the prior written consent of the debenture trustee.

In case of default in payment of interest and/or principal redemption on the redemption date, our Company will be liable for an additional interest of at least 2% per annum over the coupon rate for the defaulting period. The debenture trustee in relation to the NCDs also has the power to appoint a nominee director on the Board of our Company in case of occurrence of any event of default.

6. **Restrictive Covenants**

In terms of the NCDs, certain corporate actions by our Company are bound by certain restrictive covenants under the terms of the issuance of the NCDs. These include, *inter alia*:

(d) obtaining prior consent of the debenture trustee in case our Company proposes to enter into any amalgamation, reorganisation or reconstruction;

(e) providing prior intimation to the debenture trustee before declaring or paying any dividend to its shareholders during any financial year, unless our Company has paid the instalment of the principal amount and the coupon then due and payable on the NCDs, and with prior intimation to the debenture trustee or had made provision satisfactory to the debenture trustee for making such payment; and

(f) prior intimation to the debenture trustee before permitting to cause to be doing of any act or thing whereby its right to transact business could be terminated or whereby the payment of any principal amount or coupon of the NCDs may be hindered or delayed.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) criminal proceedings involving our Company, Directors, Promoter ("**Relevant Parties**"); (ii) actions taken by statutory or regulatory authorities involving the Relevant Parties; (iii) claims related to direct or indirect tax involving the Relevant Parties (disclosed in a consolidated manner giving the total number of claims and total amounts involved); (iv) disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five financial years immediately preceding the date of filing of this Draft Red Herring Prospectus; or (v) other pending litigations involving the Relevant Parties, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations.*

Further, except as stated in this section, there are no (i) outstanding dues to creditors of our Company as determined to be material by our Board of Directors as per the Materiality Policy, in accordance with the SEBI ICDR Regulations; and (ii) outstanding dues to micro, small and medium enterprises and other creditors and other creditor.

Our Board, in its meeting held on January 30, 2019 has adopted the Materiality Policy for the purposes of disclosures with respect to the Relevant Parties and Group Companies in this DRHP, the RHP and the Prospectus in accordance with the SEBI ICDR Regulations. In terms of the Materiality Policy, all pending litigation involving our Company, Directors, Promoter, other than criminal proceedings, statutory or regulatory actions and taxation matters (which would be disclosed in consolidated manner in accordance with the SEBI ICDR Regulations), would be considered 'material' for the purposes of disclosure in this Draft Red Herring Prospectus if: (i) the aggregate monetary amount of claim by or against the Company, its Directors and Promoters in any such pending proceeding exceeds 5% of the profit after tax or 1% of the gross written premium of our Company, whichever is lower as on the end of the most recent Fiscal Year covered in the Restated Financial Information or (ii) such pending litigation/arbitration proceedings involving the abovementioned persons which are 'material' from the perspective of our Company's business, operations, financial results, prospects or reputation, irrespective of the amount involved in such litigation.

Further, in relation to outstanding litigation involving our Group Companies that may have a material impact on our Company, in accordance with the Materiality policy, we have considered such outstanding litigation/ arbitration proceedings involving the Group Companies are considered as material, which are material from the perspective of our Company's business, operations, financial results, prospects or reputation, irrespective of the amount involved in such litigation.

Further, in terms of the Materiality Policy, our Company considers creditors to whom the amount due exceeds 5% of the trade payables of our Company as on the end of the most recent period covered in the Restated Financial Information, as 'material' creditors for the purpose of disclosures in this Draft Red Herring Prospectus.

The net profit after tax of our Company for Fiscal 2018 as per the Restated Financial Information was ₹ 1,650.03 million while the gross written premium of our Company for Fiscal 2018 was ₹ 50,690 million. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against the Relevant Parties in any such pending litigation proceeding is in excess of ₹ 82.50 million (being five per cent of our profit after tax in Fiscal 2018 as per the Restated Financial Information for Fiscal 2018).

The trade payable of our Company as on September 30, 2018 was ₹ 2592.20 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 129.61 million as on September 30, 2018.

Further, pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by any of the Relevant Parties or ours Group Companies shall not be considered as litigation until such time that any of the Relevant Parties or our Group Companies, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority or arbitral tribunal of any such proceeding that may be commenced.

All terms defined in a particular litigation pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company

A. Outstanding criminal proceedings involving our Company

Criminal proceedings initiated against our Company

Rajendra Agarwal ("**Complainant**") filed a criminal complaint dated October 22, 2013 before the Judicial Magistrate First Class, Indore against our Company and others for allegedly tampering with the period of his insurance policy and alleged misuse of the cheque provided by the Complainant. In addition to the criminal charges the Complainant sought compensation from our Company for the loss caused. The matter is currently pending.

Criminal proceedings initiated by our Company

Our Company has filed 73 FIRs against various persons including agents, employees, insured and third parties under various sections of the IPC in relation to *inter alia* siphoning of premium of our Company and commission of act(s) of cheating, and forgery for purpose of cheating by such persons. The matters are currently pending.

B. Action by statutory or regulatory authorities against our Company

Except as disclosed below, there are no outstanding actions by any statutory or regulatory authorities against our Company.

1. Our Company received a show-cause notice, dated May 23, 2017 (the **"Notice"**), from the IRDAI for alleged violation of Regulation (7)(1)(a) of the IRDAI (Protection of Policyholders Interests) Regulations, 2002 (**"Regulations"**) and for alleged non-compliance with the directions of the IRDAI while furnishing information and failure to capture the complete address of the policyholder in the policy contract. Our Company filed an interim reply, dated July 11, 2017, requesting IRDAI to drop the proceedings and citing *inter alia* that the subject matter of the Notice was covered in the order dated July 23, 2009 issued by IRDAI *inter alia* imposing a penalty of ₹ 2.00 million on our Company, the terms of which had been complied with by our Company. Further, our Company *inter alia* challenged the claim made in the Notice that we had provided wrong information and stated that we had identified policyholders' data on a best effort basis, in spite of the fact that there was no regulatory framework for KYC at the relevant point of time. Pursuant to taking note of these submissions, IRDAI through a letter dated November 6, 2017 again asked our Company to confirm compliance with the Regulations, as updated. Our Company through letter dated November 20, 2017 submitted that necessary steps and measures have been taken to ensure the required compliance. No further communication has been received from the IRDAI in this regard. The matter is currently pending.

Further, except as disclosed below, there are no actions by the Insurance Regulatory and Development Authority of India in the last five years involving our Company:

1. Our Company received a show-cause notice, dated December 20, 2017, from the IRDAI for *inter alia* allegedly issuing an unfair/misleading advertisement, altering product features from what had been noted by IRDAI and violating Regulation 2(d)(iii) of the IRDAI (Insurance Advertisements and Disclosure) Regulations 2000(**"Regulations"**) and Guidelines on Product Filing Procedures for General Insurance Products and wrongfully providing home assistance services with an insurance product. The Company vide letter dated February 01, 2018 submitted responses to the aforesaid show cause notice and requested a personal hearing for the said matter. A personal hearing was held on June 11, 2018. The IRDAI on November 14, 2018 issued directions to the Company for the following actions:-(i) to withdraw the home assistance services advertisements forthwith; (ii) to discontinue the home assistance services being provided with the above product, and (iii) to transfer the amount of ₹ 0.66 million-and any other amount paid after November 1, 2018 to the service provider of home assistance

services from policyholders account to shareholders account and submit a certificate from a chartered accountant, confirming that these amounts have been transferred. Our Company has complied with the directions and gave confirmation to the authority on December 5, 2018.

2. Our Company received a show-cause notice, dated August 9, 2017 (the "Notice"), from the IRDAI pursuant to onsite inspection carried out IRDAI in October 2012 (the "Inspection") for alleged violations of the provisions of the General Regulation-8 of All India Motor Tariff, 2002 and the File and Use guidelines issued by IRDAI. Our Company filed a reply, dated August 28, 2017, stating that the Notice had been issued by IRDAI pursuant to the Inspection for data/information of the Fiscal Years 2010 and 2011, which had been earlier provided by our Company and covered by IRDAI in its detailed inspection conducted in 2010 (the "Prior Inspection"). Our Company, stating that our Company had complied with the directions issued pursuant to the Prior Inspection, challenged the Notice citing that the Notice amounted to review of IRDAI's earlier directions. Our Company further received a letter dated September 19, 2017 from the IRDAI stating that the Notice cannot be considered to be a review of IRDAI's earlier directions and advised our Company to submit a reply to the Notice. Our Company filed a reply dated October 4, 2017 requesting IRDAI to drop the proceedings against us. In the alternative, our Company also requested an opportunity for personal hearing, which through the IRDAI's orders was held on November 16, 2017. The IRDAI passed an order dated August 21, 2018 imposing a penalty of ₹.0.5 million for violation of provisions of (General Regulation 8 of All India Motor Tariff, 2002) and File & Use Guidelines / Circulars. The Company has paid the penalty amount.

3. The IRDAI through a show cause notice dated March 21, 2017 observed that our Company had exceeded the limit of the expenses of management (**"EoM"**) as prescribed under the provisions of Section 40C of Insurance Act, 1938 read with Rule 17E of the Insurance Rules, 1939, and had under-reported the EoM for the financial year 2015-16. Our Company through letters dated April 11, 2017 and April 13, 2017 requested IRDAI to condone the excess EoM for the financial year 2015-16 while also stating that our Company was in compliance with the EoM limits as per the new regulations on EoM. The IRDAI through a warning letter dated December 1, 2017 asked our Company to bring this matter to the notice of our Board and ensure compliance with the IRDAI (Expenses of Management of Insurers transaction General or Health Insurance business) Regulations, 2016 by the end of the financial year 2016-17.No further communication has been received from the IRDAI in this regard.

4. Our Company received a show cause notice dated December 3, 2014 (**the "SCN"**) from the IRDAI for violation of Regulations 10, 11 and 15 of the IRDAI (Health Insurance) Regulations, 2013, Regulation 9(6) of the IRDAI (Protection of Policy Holders' Interests) Regulations, 2002 and the Guidelines of Standardization in health insurance. Our company filed a reply dated December 24, 2014 with a request for personal hearing. A personal hearing was held on March 26, 2015 pursuant to which the IRDAI through an order dated April 9, 2015 dropped two charges but also imposed a penalty of ₹ 0.5 million on our Company for violation of Regulation 11 of the IRDAI (Health Insurance) Regulations, 2013. Our Company paid the penalty amount and the matter was closed.

5. Our Company received a show cause notice dated September 24, 2014 (**the "SCN"**) from the IRDAI for violation of Regulation 2(g)(i) of the IRDAI (Registration of Indian Insurance Companies) Regulations, 2000 **("IRDAI Regulations")**. Our company filed a reply dated November 6, 2014 claiming that our Company was not in violation of the IRDAI regulations. Our Company further received a letter dated May 8, 2015 from the IRDAI asking our Company to furnish certain documents in relation to the SCN. Our Company through a letter dated May 30, 2015 replied to the IRDAI and submitted the requisitioned documents. The IRDAI through an order dated September 10, 2015 imposed a penalty of ₹ 0.5 million on our Company for violation of the IRDAI Regulations. Our Company through a letter dated October 23, 2015 challenged the imposition of the penalty and requested the IRDAI to set aside the order dated September 10, 2015. Our Company has paid the penalty. There have been no further proceedings in this matter.

C. Tax proceedings against our Company

1) Disclosed below are claims relating to direct and indirect taxes involving our Company, in a consolidated manner, giving details of the number of cases and liability involved in such claims:

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)*
Direct tax**		
Income Tax	11**	16.93**
Sub-total (A)	11**	16.93**
		Indirect tax
Service Tax	8	1238.87
VAT	1	0.58
Sub-total (B)	9	1239.45
Total (A+B)	20	1256.38

* *To the extent quantified*

*******Including six disallowance cases in which the claim amount was nil.*

D. Material outstanding litigation involving our Company

Material civil litigation initiated against our Company

1. Our Company participated in the Bihar Government (**"Government"**) sponsored Weather Based Crop Insurance Scheme (**"WBCIS"**) for the crop season of kharif-2013 and all the claims were settled based on the data collected from the automated weather stations installed by certain service providers on behalf of our Company. Our Company received a letter dated February 5, 2014 from the deputy secretary of Co-operative Department, Government of Bihar alleging mis-calculation in the claim settlement by our Company and that the data collected by our Company was inaccurate. Our Company, through a letter dated February 17, 2014, refuted the allegation raised by the Government. However, on February 24, 2016 our Company received a notice from the Certificate Officer cum Additional Collector, Patna under Section 7 of the Bihar & Orissa Public Demand Recovery Act, 1914 for recovery of dues amounting to ₹ 247.54 million. Our Company filed a writ application in the Patna High Court (**"Court"**) being C.W.J.C. No. 12434/16 (**"Writ Application"**) based on which the Court through order dated October 25, 2016 stayed the recovery proceedings against our Company as the recovery proceedings were wrongly initiated. The matter is currently pending. However, our Company was forbidden from taking part in the bid for Pradhan Mantri Fasal Bima Yojana (**"PMFBY"**) for kharif-2016 and kharif-2017 citing pendency in the Writ Application and that claims are due to be paid to the farmers. Our Company filed a writ application in the Patna High Court being C.W.J.C. No. 8296/17 for a writ of mandamus directing the Government to allow our Company to participate in the bidding for PMFBY for kharif-2017 and restraining the respondents under such writ petition from awarding the contracts for districts in Bihar for crop insurance under the PMFBY. The Patna High Court through an order dated July 5, 2017 allowed our Company to participate in the bidding for PMFBY for kharif-2017. Further, the Ministry of Agriculture & Farmers Welfare through letter dated November 7, 2016 advised the Government not to stick to their demand of settlement of claims by the insurance companies and allow all insurance companies to participate in the bidding process from Rabi 2016-17 season onward.

2. Sai Rayalaseema Paper Mills Limited (**"Claimant"**) claimed payment from our Company under the policy obtained by the Claimant from our Company pursuant to alleged heavy loss due to unprecedented floods in October, 2009. The Claimants being aggrieved with the surveyor report invoked arbitration against our Company claiming an aggregate amount of ₹ 257.92 million with interest from date of claim. The arbitral tribunal through award dated February 24, 2015 (**"Award"**) allowed a claim of ₹ 120.47 million in favour of the Claimant. Our Company filed an application dated May 2, 2015, under Section 34 of the Arbitration and Conciliation Act in the City Civil Court, Hyderabad praying that the award be set aside with costs. The Claimant filed an execution petition dated December 1, 2015 in the City Civil Court, Hyderabad for the execution of the award, claiming an amount ₹ 178.41 million against our Company. Our Company has filed a reply to the execution petition in the City Civil Court,

Hyderabad praying that the execution petition be rejected with costs. The matter is currently pending.

3. An application dated January 28, 2010 was filed against our Company and another before the Motor Accident Claims Tribunal, Bangalore (**“MACT”**) for compensation of ₹ 100 million under Section 166 of the Motor Vehicles Act. The application was filed by Susmita Susarla and others (the **“Applicants”**) on account of death of Tenneti Sasikanth who had met with an accident on June 11, 2009. The MACT through order dated February 22, 2014 dismissed the claim petition stating that it had no territorial jurisdiction in the matter. The Applicants went to the Karnataka High Court (**“High Court”**) in appeal against the order of the MACT. However, the High Court through its judgment dated February 29, 2016 disposed the appeal with permission to present the claim before the jurisdictional tribunal. The Applicants, through application dated March 28, 2016 have filed a review petition before the High Court for review of the order dated February 29, 2016. The matter is currently pending.

4. An application dated July 18, 2013 was filed against our Company and others (**“Respondents”**) before the Additional Small Causes Judge and The Motor Accident Claims Tribunal, Bangalore City (**“MACT, Bangalore”**) for compensation of ₹ 100 million under Section 166 of the Motor Vehicles Act. The application was brought by Rajani A. Padiyar and others (the **“Applicants”**) on account of death of Aravind Padiyar U who had met with a fatal accident on June 4, 2013. Our Company had filed a written statement dated February 5, 2014 contesting the compensation claimed against our Company and praying for the application to be dismissed with costs. Through an order dated August 11, 2015 (**“Order”**) the Applicants were awarded a compensation of ₹ 41.09 million together with interest. Our Company filed an appeal to the Karnataka High Court against the Order, praying that the Order be set aside. The Applicants have also filed an appeal to the Karnataka High Court against the Order, seeking enhanced compensation of ₹ 100 million with cost and interest. The matter is currently pending.

5. A consumer complaint dated December 3, 2009 was filed against our Company, under Section 19 of the Consumer Protection Act, before the National Consumer Disputes Redressal Commission, New Delhi by Khaitan Electricals Limited (**“Complainant”**). The complainant alleged deficiency in service due to our Company not settling the insurance claim of the Complainant amounting to ₹ 90.20 million after there was an alleged fire at the Complainant’s manufacturing unit. The Complainant claimed an amount of ₹ 5.00 million in damages, in addition to the claim amount of ₹ 90.20 million together with interest. Our Company has filed a written statement dated September 27, 2010 contesting the compensation claimed against our Company and praying for the application to be dismissed with costs. The matter is currently pending.

6. A consumer complaint dated October 25, 2017 was filed against our Company under Sections 12 and 21 of the Consumer Protection Act, 1986 before the National Consumer Disputes Redressal Commission, New Delhi by Himalayan Frozen Foods Limited (**“Complainant”**). The Complainant was insured under a policy issued by our Company. The Complainant alleged deficiency in the service provided by our Company due to our Company not settling the insurance claim of the Complainant amounting to ₹ 136.55 million after there was alleged damage to stocks due to electricity outage. Our Company filed a written statement dated January 7, 2018 contesting the compensation claimed against our Company and praying for the application to be dismissed with costs. The matter is currently pending.

7. A dispute resolution process was invoked against our Company by Future Generali India Insurance Company Limited (“**FGI**”) through a letter, dated October 12, 2017, to the General Insurance Council (**“Council”**). The dispute was for alleged non-payment towards claims made by farmers in certain districts amounting to ₹ 488 million together with interest, as per the coinsurance agreement between FGI and our Company. Through a letter dated November 8, 2017 the Council has called for a response from our Company on the representation made by FGI. Our Company through its reply dated January 10, 2018 asked the Council to direct FGI to work with our Company in resolving the issue. The Council on March 8, 2018 communicated its decision to not take any further steps in the matter stating that it was to be mutually resolved between the Company and FGI. Being aggrieved by the non-settlement of

the claim, FGI proceeded to file a commercial suit with the Bombay High Court seeking the recovery of an amount of ₹. 634.44 million, together with interest. The matter is currently pending.

Material civil litigation initiated by our Company

1. Our Company issued an insurance policy to the Indian railways (the **"Policy"**) and entered into a contract for reinsurance with Colonial Life Insurance Company (Trinidad) Limited (**"Defendant no. 1"**). However, Defendant no. 1 failed to indemnify our Company in connection with payments made by our Company pursuant to the Policy and was in breach of the reinsurance contract. Our Company filed a suit dated March 14, 2013 before the Bombay High Court against Defendant no. 1 and another (collectively, the **"Defendants"**) praying for grant of a money decree for ₹ 372.19 million in favour of our Company and against the Defendants, i.e., the amounts paid by our Company towards claims under the Policy together with an additional ₹ 10 million towards legal costs and interest. However, on August 30, 2016 the suit was converted into a commercial suit as the present suit was pertaining to a "commercial dispute" under Section 2(1)(c) of the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015. The matter is currently pending.

2. Our Company had entered into a reinsurance agreement (**"Agreement"**) with Best Re (L) Limited (**"Respondent"**) and another. Our Company served a legal notice dated June 22, 2015 to the Respondent invoking arbitration under clause 17 of the Agreement alleging failure of the Respondent to clear its dues amounting to ₹ 86.25 million. Subsequently, our Company filed an arbitration application dated May 23, 2016 in the Supreme Court of India (**"Court"**) for appointment of an arbitrator in the matter on behalf of the Respondent. The matter is currently pending.

3. Our Company issued a Group Personal Accident Policy and entered into a reinsurance agreement with AG Dore (Lloyd's Syndicate 2526), Starr Underwriting Agents Limited, Premium Insurance Brokers Limited (Lloyd's Syndicate 1919) (the "**Broker**") and others (together, the **"Defendants"**). Our Company filed a commercial suit dated October 27, 2016 in the Bombay High Court (**"Court"**) alleging failure on part of the Defendants, other than the Broker and their executive vice-chairman, to make payments under the reinsurance agreement and *inter alia* claiming an amount of ₹ 86. 99 million. Our Company and the Defendants, except for the Broker and its executive vice-chairman settled the matter and the settlement agreement was filled before the Bombay High Court. The Company has proceeded against the Broker and its executive vice-chairman seeking injunction to comply with all the requisitions sought by our Company. The matter is still pending.

E. Outstanding dues to small scale undertakings or any other creditors

In terms of the Materiality Policy, as of September 30, 2018, our Company did not have any material creditors.

Further, based on available information regarding status of the creditor as a micro, small or a medium scale enterprise as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as of September 30, 2018, our Company did not owe any dues to any micro, small and medium scale enterprises. With respect to other creditors, as of September 30, 2018, our Company owed outstanding dues of ₹ 2592.20 million to a total of 2,074 creditors.

II. Litigation involving our Directors

A. Outstanding criminal proceedings involving our Directors

Criminal proceedings against our Directors

1. Subhash Agarwal filed a complaint on October 23, 2017 before the Learned Chief Metropolitan Magistrate, Calcutta, West Bengal against Reliance Capital Limited and its directors including our directors Chhaya Virani, Anmol Ambani, Rajendra Chitale and others (the "**Defendants**") under Section 406, 465, 468, 469, 471 read with 34/120 B of Indian Penal

Code alleging criminal breach of trust, forgery, forgery for the purpose of cheating, using as genuine a forged document. The cause of action arose with the Commercial Finance Division of Reliance Capital Limited. However, the Commercial Finance Division have been demerged from Reliance Capital Limited with effect from March 24, 2017. The defendants pursuant to quashing proceedings filed under section 482 of the Criminal Procedure Code in the High Court of Calcutta ("**High Court**") have obtained stay for the period of six weeks from the proceedings before the Learned Chief Metropolitan Magistrate, Calcutta, West Bengal. This order of stay was extended for a period up to January 30, 2019 pursuant to the order of the High Court dated December 5, 2018. An application for extension of such stay has been filed on January 30, 2019.The matter is currently pending.

2. Union Bank of India ("**UBI**") filed a complaint number 960/SS/2018 ("**Complaint**") before the Metropolitan Magistrate, 23rd Court, Mumbai, under Section 138 of the Negotiable Instruments Act, 1881, against Reliance Communications Limited ("**Reliance Communications**"), and its directors, including Chhaya Virani. The Complaint is filed in relation to cheques worth ₹ 5,000 million, issued by Reliance Communication in relation to a short term loan availed by them, that were stopped from payment by Reliance Communication in accordance with a joint lenders agreement dated June 22, 2017 that both Reliance Communication and UBI were parties to. The matter is currently pending

3. For further details regarding outstanding litigation involving our Director, Chhaya Virani, please see disclosure number 1 under *"- Litigation involving our Group Companies which may have a material impact on our Company - Outstanding Litigation Against Group Companies which may have a material impact on our Company - Reliance Communications Limited"*.

Criminal proceedings initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

B. Pending action by statutory or regulatory authorities against our Directors

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Directors.

C. Tax proceedings against our Directors

As on date of this Draft Red Herring Prospectus, there are no tax proceedings pending against our Directors.

D. Material outstanding litigation involving our Directors

Material civil litigations initiated against our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Directors.

Material civil litigations initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Directors.

III. Litigation involving our Promoter

A. Outstanding criminal proceedings involving our Promoter

Criminal proceedings against our Promoter

1. Subhash Agarwal filed a complaint on October 23, 2017 before the Learned Chief Metropolitan Magistrate, Calcutta, West Bengal against Reliance Capital Limited and others under Section 406, 465, 468, 469, 471 read with 34/120 B of Indian Penal Code alleging criminal breach of trust, forgery, forgery for the purpose of cheating, using as genuine a forged document.

   For further details in relation to the above case, refer to "*Outstanding litigation and material developments - Litigation involving our Directors*" on page 359.

Criminal proceedings initiated by our Promoter

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoter.

B. Pending action by statutory or regulatory authorities against our Promoter

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Promoter.

C. Tax proceedings against our Promoter

Reliance Capital

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)*
Direct tax		
Income Tax	7	299.93
Sub-total (A)	**7**	**299.93**
Indirect tax		
Service Tax & VAT	4	27.50
Sub-total (B)	**4**	**27.50**
Total (A+B)	**11**	327.43

*To the extent quantified

D. Material outstanding litigation involving our Promoter

Material civil litigations against our Promoter

Ashwin Mehta, (the "**Applicant**") had filed a miscellaneous application before the special court established under the Special Courts (Trial for Offences Relating to Transactions in Securities) Act, 1992 seeking recovery of 44,787 equity shares of Reliance Industries Limited from Reliance Capital Limited. It was alleged that Reliance Capital has sold 44,787 equity shares of Reliance Industries Limited, received consideration and delivered the said shares to the Applicant but the shares were yet to be transferred in the name of Applicant. Reliance Capital Limited has filed its objections. The matter is pending for final hearing.

Adil Patrawala (the "**Petitioner**") has filed a petition before the Company Law Board, Mumbai against Quant Capital Private Limited and Reliance Capital Limited under section 397-398 of the Companies Act, claiming mismanagement in the affairs of Quant Capital Private Limited and the oppression of minority shareholders. Reliance Capital Limited has been made a party to the suit as it is a majority shareholder having a stake of 74% in Quant Capital Private Limited. The petition is currently pending for hearing in NCLT

Material civil litigations initiated by our Promoter

A suit was filed ("**Suit")** before the Bombay High Court by Reliance Capital Limited ("**RCL**") against Sunshine Developers ("**Respondent 1**") and Gigaplex Developers ("**Respondent 2**" and together with Respondent 1, the "**Respondents**") seeking performance of Respondent 1's obligations under a loan agreement with RCL (the "**Agreement**"). Under this agreement, a loan of ₹ 950 million was granted to Respondent 1 to finance the development of property, for the purposes of which a co-development agreement was entered into, between Respondent 1 and Respondent 2. The Agreement was revised on December 20, 2013, wherein Respondent 1 agreed to, and proceeded to mortgage a free sale area of 40,000/- square feet out of its share in the Property. As Respondent 1 failed to repay the loan and fulfil its obligation under the aforesaid loan agreement, the Suit was filed seeking performance of their obligations under the aforesaid loan agreements and for appointment of a court receiver for dealing with the 40,000 square feet built up area mortgaged to RCL.

E. Disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five financial years immediately preceding the date of filing of this Draft Red Herring Prospectus

SEBI had issued an administrative warning letter dated March 21, 2014 (the "**2014 Warning Letter**") to our Promoter with respect to its findings in relation to the inspection of books and records of Reliance Securities Limited carried out in August 2012. In furtherance of the 2014 Warning Letter, SEBI issued a show-cause notice dated June 12, 2014 to our Promoter and initiated adjudication proceedings against Reliance Capital Limited ("**Adjudication Proceeding**"). Our Promoter filed an appeal before the Securities Appellate Tribunal ("**SAT**"), in relation to such adjudication proceeding. Subsequently, the show cause-notice was withdrawn by the SEBI, and accordingly, Reliance Capital Limited also withdrew its appeal, which was noted pursuant to order dated February 9, 2015 passed by SAT. No further communication has been received from SEBI in relation to the Adjudication Proceeding and no fresh show cause notice has been issued in this regard.

IV. Litigation involving our Group Companies which may have a material impact on our Company

A. Reliance Communications Limited

1. Ericsson India Private Limited ("**Ericsson**") filed company petitions before the National Company Law Tribunal against Reliance Infratel Limited (1385/2017), Reliance Telecom Limited (1386/2017) and Reliance Communications Limited (1387/2017), seeking initiation of corporate insolvency resolution process for payment of ₹ 4,272.14 million, ₹ 1,145.45 million and ₹ 4,369.62 million, respectively. The National Company Law Tribunal admitted the petitions in May 2018, through its order dated May 15, 2018. Aggrieved by the order admitting the petitions, the directors of Reliance Infratel Limited, Reliance Telecom Limited and Reliance Communication Limited approached the National Company Law Appellate Tribunal. The National Company Law Appellate Tribunal, vide its order dated May 30, 2018, granted an interim stay on the order admitting such petitions, on condition of payment of ₹ 5,500 million by September 30, 2018. Subsequently, the petitions effectuating the settlement were filed before the Supreme Court.

   The Supreme Court, through its order dated August 3, 2018, allowed the sales of assets of Reliance Communications Limited, Reliance Infratel Limited and Reliance Telecom Limited to go through. The respective chairpersons of Reliance Infratel Limited, Reliance Telecom Limited and Reliance Communication Limited, namely Chhaya Virani, Satish Seth and Anil D. Ambani, also filed undertakings with the Supreme Court, in compliance with the order dated August 3, 2018. On October 23, 2018, the Supreme Court extended the date of making the payment to Ericsson to December 15, 2018, and directed that interest be paid at a rate of 12% per annum with effect from October 1, 2018.

   Subsequently, Ericsson filed contempt petitions (1838 of 2018 and 55 of 2019) ("**Contempt Petitions**") before the Supreme Court, against the respective chairpersons of Reliance Infratel Limited, Reliance Telecom Limited and Reliance Communication Limited, seeking to initiate contempt proceedings against them for disobedience of the Supreme Court's orders. During the pendency of the Contempt Petitions, an amount of ₹ 1,180 million has been deposited on behalf of Reliance Communications Limited in the registry of the Supreme Court on January 9, 2019. These matters are currently pending. The matter is up for hearing before the Supreme Court on February 12, 2019.

   The directors of the respective companies have filed an application for withdrawal of the appeal pending before National Company Law Appellate Tribunal. The National Company

Law Tribunal has allowed Ericsson to file reply by February 8, 2019. The matter is up for hearing before the National Company Law Appellate Tribunal on February 12, 2019.

2. Syscom Corporation Limited ("**Syscom**") has filed a company application (3210/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹33.13 million. The unpaid invoices pertain to materials supplied by Syscom to Reliance Telecom Limited from time to time, pursuant to which invoices were raised in the name of Reliance Telecom Limited and Reliance Communications Limited. This matter is currently pending.

3. Basu Business Solutions India Private Limited ("**Basu Business**") has filed a company petition (1786/2018) against Reliance Communications Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹5.63 million. The unpaid invoices pertain to telecommunications equipment and hardware supplied by Basu Business to Reliance Communications Limited. This matter is currently pending.

4. Kamson Marketing Private Limited ("**Kamson**") has filed a company application (1947/2018) against Reliance Communications Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹6.49 million. The unpaid invoices pertain to certain services, such as, printing, delivering invoices for collection of dues, bill delivery management services etc., provided by Kamson to Reliance Communications Limited. It has been alleged in the application that Reliance Communications Limited has stopped making payments for the invoices raised by Kamson since January 2017. This matter is currently pending.

5. Bangalore International Airport Limited has filed a company petition (2332/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting ₹11.56 million. Reliance Communications Limited and the petitioner had entered into a common passive mobile infrastructure agreement dated August 6, 2015, to enable Reliance Communications Limited to provide mobile services to its subscribers within the premises of the Kempegowda International Airport, Bengaluru. Subsequently, as alleged in the petition, invoices raised by the petitioner in terms of the aforestated agreement remain unpaid by Reliance Communications Limited. Such unpaid invoiced amounts have been claimed by way of this petition. This matter is currently pending.

6. Xportsoft Technologies ("**Xportsoft**") has filed a company application (3180/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹43.95 million. The unpaid invoices pertain to certain services provided by Xportsoft to Reliance Communications Limited. This matter is currently pending.

7. SS Associates ("**SSA**") has filed a company application (3463/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹1.88 million. The unpaid invoices pertain to certain collection of dues services provided by SSA to Reliance Communications Limited. This matter is currently pending.

8. The Mining and Engineering Corporation ("**MEC**") has filed a company application (3317/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹9.73 million. The unpaid invoices pertain to certain construction services provided by MEC to Reliance Communications Limited. This matter is currently pending.

9. Naman Marketing ("**Naman**") has filed a company petition (2998/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices ₹1.78 million. It is

alleged that Naman was a distributor of Reliance Webstore Limited, whose assets and liabilities were subsequently taken over by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

10. Wallop Advertising Limited ("**Wallop**") has filed a company petition (2873/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices (along with interest accrued thereto) amounting to ₹4.79 million. The unpaid invoices pertain to certain work orders issued by Reliance Communications Limited to Wallop pertaining to outdoor advertisements. This matter is currently pending.

11. Nitin Marketing ("**Nitin**") has filed a company petition (3221/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹2.28 million. It is alleged that Nitin was a distributor of Reliance Webstore Limited, whose assets and liabilities were subsequently taken over by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

12. One97 Communications Limited ("**One97**") has filed a company application (3211/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹74.99 million. The unpaid invoices pertain to certain services provided by One97 to Reliance Communications Limited. This matter is currently pending.

13. Handygo Technologies Private Limited ("**Handygo**") has filed an insolvency application (3152/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹17.11 million. The unpaid invoices pertain to certain services provided by Handygo to Reliance Communications Limited. This matter is currently pending.

14. Triveni Cellular ("**Triveni**") has filed a company petition (3211/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹2.76 million. It has been alleged that Triveni was appointed as a distributor by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

15. Mohit Marketing ("**Mohit**") has filed a company petition (3222/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹5.02 million. It has been alleged that Mohit was appointed as a distributor by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

16. Arya Communications ("**Arya**") has filed a company petition (3227/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹1.25 million. It has been alleged that Arya was appointed as a distributor by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

17. Rohit Marketing ("**Rohit**") has filed a company petition (3216/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of

corporate insolvency resolution process for payment of ₹0.92 million. It has been alleged that Rohit was appointed as a distributor by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

18. Unisys Infosolutions Private Limited ("**Unisys**") has filed a company application (3174/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹16.62 million. The unpaid invoices pertain to certain services provided by Unisys to Reliance Communications Limited. This matter is currently pending.

19. Bhanu Enterprises ("**Bhanu**") has filed a company petition (3344/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹0.11 million. It has been alleged that Bhanu was appointed as a distributor by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

20. Lucky Enterprises ("**Lucky**") has filed a company petition (3298/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹0.11 million. It has been alleged that Lucky was appointed as a distributor by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

21. Vinayak Agency ("**Vinayak**") has filed a company petition (3276/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹2.51 million. It has been alleged that Vinayak was appointed as a distributor by Reliance Communications Limited. Subsequently, it has been alleged, Reliance Communications Limited failed to refund the security deposit and certain other amounts, which have been claimed by way of this petition. This matter is currently pending.

22. WOW Creations ("**Wow**") has filed a company application 3468(MB)/ 2018 against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹2.77 million. The unpaid invoices pertain to materials supplied by Wow to Reliance Communications Limited. This matter is currently pending.

23. Offshoot Agency Private Limited ("**Offshoot**") has filed a company application (3567/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹108.12 million. The unpaid invoices pertain to CAF management and storage services provided by Offshoot to Reliance Communications Limited. This matter is currently pending.

24. Evolve Digital Solutions Private Limited ("**Evolve**") has filed a company application (3537/2018) against Reliance Communications Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹9.36 million. The unpaid invoices pertain to voice portal services provided by Evolve to Reliance Communications Limited. This matter is currently pending.

25. ZTE Telecom India Private Limited ("**ZTE**") has filed an insolvency petition (4231/2018) against Reliance Communications Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹16.50 million. The unpaid invoices pertain to materials

supplied and services rendered by ZTE to Reliance Communications Limited. This matter is currently pending.

26. Chugh Telecom ("**Chugh**") has filed an insolvency petition against Reliance Communications Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of ₹3.43 million. It has been alleged that Chugh was appointed as a distributor by Reliance Communications Limited. Upon closure of the wireless business, it has been alleged, Reliance Communications Limited failed to refund the amounts towards unsold stocks, which have been claimed by way of this petition along with interest. This matter is currently pending.

27. Bedi Electronics ("**Bedi**") has filed an insolvency petition against Reliance Communications Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of ₹7.76 million. It has been alleged that Bedi was appointed as a distributor by Reliance Communications Limited. Upon closure of the wireless business, it has been alleged, Reliance Communications Limited failed to refund the amounts towards unsold stocks, which have been claimed by way of this petition along with interest. This matter is currently pending.

28. SAM Technologies ("**SAM**") has filed an insolvency petition dated November 3, 2018 against Reliance Communications Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of ₹24.70 million. It has been alleged that SAM was appointed as a distributor by Reliance Communications Limited. Upon closure of the wireless business, it has been alleged, Reliance Communications Limited failed to refund the amounts towards unsold stocks, which have been claimed by way of this petition along with interest. This matter is currently pending.

29. ZTE Corporation ("**ZTE**") has filed an insolvency petition (3830/2018) against Reliance Communications Limited before the National Company Law Tribunal, is seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to USD 11.02 million (₹787.60 million, as on February 7, 2019) along with applicable interest. The unpaid invoices pertain to materials supplied and services rendered by ZTE to Reliance Communications Limited. This matter is currently pending.

30. ZTE (H.K.) Limited ("**ZTE**") has filed an insolvency petition dated November 15, 2018 against Reliance Communications Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to USD 3.23 million (₹230.85 million, as on February 7, 2019) along with applicable interest. The unpaid invoices pertain to materials supplied and services rendered by ZTE to Reliance Communications Limited. This matter is currently pending.

31. SCF Services Private Limited ("**SCF**") has filed a company petition against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices (along with accrued interest) amounting to ₹5.49 million. The unpaid invoices pertain to certain services provided by SCF to Reliance Communications Limited. This matter is currently pending.

32. Crescent Records and Management Private Limited ("**Crescent**") has filed a company petition dated November 16, 2018 against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of operational debt amounting to ₹7.38 million. The operational debt pertains to certain services provided by Crescent to Reliance Communications Limited. This matter is currently pending.

33. Bhambari Printers ("**Bhambari**") has filed a company petition against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹10.31 million. The unpaid invoices pertain to supply of kits to Reliance Communications Limited by Bhambari. This matter is currently pending.

34. Nazara Technologies Limited ("**Nazara**") has filed a company petition dated December 4, 2018 against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹26.83 million. The unpaid invoices pertain to certain services provided by Nazara to Reliance Communications Limited. This matter is currently pending.

35. Eastcompeace India Private Limited ("**Eastcompeace**") has filed a company petition against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹58.62 million. The unpaid invoices pertain to supply of sim cards to Reliance Communications Limited by Eastcompeace. This matter is currently pending.

36. Channel VAS Services Private Limited has filed a company petition (3512/2018) against Reliance Communications Limited ("**Reliance Communications**") before the National Company Law Tribunal, pursuant to Section 9 of the Insolvency and Bankruptcy Code, 2016. The matter is listed for hearing on March 11, 2019. Reliance Communications is yet to receive a copy of the petition. The matter is currently pending.

37. HSBC Daisy Investment (Mauritius) Limited and others, being minority investors in Reliance Infratel Limited ("**RITL Minority Investors**") had filed a company petition (7 of 2016) before the National Company Law Tribunal (Mumbai Bench), against Reliance Infratel Limited, Reliance Communications Limited and Reliance Communications Infrastructure Limited ("**RCOM Entities**"), under sections 397, 398, 399, 402, 403 and other applicable provisions of the Companies Act, 1956. During the pendency of the matter, RCOM Entities and the RITL Minority Investors reached a settlement and the proceedings were withdrawn by the parties. As per the settlement terms agreed upon between the parties, and recorded by the NCLAT, the RCOM Entities agreed to make a payment of ₹ 2,300 million to the RITL Minority Investors by November 27, 2018 and to also provide bank guarantees securing such payment by July 4, 2018.

    Subsequently, in light of the RCOM Entities' failure to provide the bank guarantees, the RITL Minority Investors filed a contempt petition dated October 4, 2018 before the National Company Law Appellate Tribunal, against RCOM and its directors. The RITL Minority Investors subsequently filed another contempt petition dated January 17, 2019, against the directors and key officers of the RCOM Entities, in relation to the failure by the RCOM Entities to make the payment ₹ 2,300 million in terms of the settlement arrived at between the parties. These matters are currently pending.

B. Reliance Communications Infrastructure Limited

1. Prime Marketing and Financial Services has filed a company petition against Reliance Communications Infrastructure Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution for payment of ₹5.62 million. The unpaid invoices pertain to telecommunications equipment and hardware supplied by the petitioner to Reliance Communications Infrastructure Limited. This matter is currently pending.

2. The Mining and Engineering Corporation ("**MEC**") has filed a company application (3332/2018) against Reliance Communications Infrastructure Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹12.98 million due to MEC since 2006. The unpaid invoices pertain to certain services provided by the applicant to Reliance Communications Infrastructure Limited. This matter is currently pending.

3. Abhitech Energycon Limited ("**AEL**") has filed a company application (501/2018) against Reliance Communications Infrastructure Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution for payment of ₹19.87 million, interest aggregating to ₹8.59 million and further interest at 24 % per annum from November 2, 2017 till date of payment. The unpaid invoices pertain to goods sold and delivered by AEL to Reliance Communications Infrastructure Limited. This matter is currently pending.

4. Sumit Maru has filed a company application against Reliance Communications Infrastructure Limited before the National Company Law Tribunal, seeking payment of an amount of ₹2.45 million, being outstanding lease rentals, maintenance charges, unpaid electricity bills and service tax. The payables sought by way of the application allegedly arise from a lease deed entered into by Reliance Communications Infrastructure Limited. This matter is currently pending.

5. Satyendra Narayan Singh has filed a company application against Reliance Communications Infrastructure Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹3.77 million, being outstanding lease rentals, maintenance charges, unpaid electricity bills and service tax. The payables sought by way of the application allegedly arise from a lease deed entered into by Reliance Communications Infrastructure Limited. This matter is currently pending.

6. Atul Maru has filed a company application against Reliance Communications Infrastructure Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of ₹1.66 million, being outstanding lease rentals, maintenance charges, unpaid electricity bills and service tax. The payables sought by way of the application allegedly arise from a lease deed entered into by Reliance Communications Infrastructure Limited. This matter is currently pending.

C. Reliance Infratel Limited

1. Bhagwati Associates ("**Bhagwati**") has filed a company petition (274/2018) against Reliance Infratel Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹2.29 million. The unpaid invoices pertain to certain work orders issued by Reliance Infratel Limited to Bhagwati pertaining to, services availed by them, such as, battery bank upgradation and clamp and cable works. This matter is currently pending.

2. Navya Industries Private Limited ("**Navya**") has filed a company petition (470/2018) against Reliance Infratel Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution for payment of unpaid invoices amounting to ₹9.25 million. The unpaid invoices pertain to certain services provided by Navya to Reliance Infratel Limited. This matter is currently pending.

3. The Mining and Engineering Corporation ("**MEC**") has filed a company application (3439/2018) against Reliance Infratel Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution for payment of unpaid invoices amounting to ₹0.36 million, due since 2006. The unpaid invoices pertain to certain services provided by the applicant to Reliance Infratel Limited. This matter is currently pending.

4. WOW Creations ("**Wow**") has filed a company application (3466/ 2018) against Reliance Infratel Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution for payment of unpaid invoices amounting to ₹0.43 million. The unpaid invoices pertain to materials supplied by Wow to Reliance Infratel Limited. This matter is currently pending.

5. Amit Enterprises ("**Amit**") has filed a company petition dated November 29, 2018 against Reliance Infratel Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹5.98 million. The unpaid invoices pertain to certain work orders issued by Reliance Infratel Limited to Amit. This matter is currently pending.

D. Reliance Securities Limited

1. The Directorate of Enforcement, Lucknow ("**ED**") issued a show cause notice dated July 23, 2012 to Reliance Securities Limited ("**RSL**") alleging that the Company had acquired foreign exchange from an unauthorised person, thereby committing a violation of Sections 3(a), 4, 10(4) and 42 of the Foreign Exchange Management Act, 1999, and subsequently passed an

order against RSL, imposing a penalty of ₹ 12.5 million ("**ED Order**"). RSL has filed an appeal before the Appellate Tribunal for Foreign Exchange, New Delhi (the "**FEMA Tribunal**") against the ED Order. The FEMA Tribunal has stayed the order and directed RSL to deposit 10 % of the penalty amount and provide security for the balance. The matter is currently pending.

2. The Directorate of Enforcement, New Delhi (the "**ED**") seized ₹ 33 million in foreign currency from an employee of the Surat and Ahmedabad branch of Reliance Securities Limited ("**RSL**") on the suspicion that it was not an inter-branch transfer but an inter-branch sale. Pursuant to an investigation, it was concluded by ED that seized amount was a branch transfer and not an inter-branch sale and subsequently majority of the seized currency was released on February 5, 2010, apart from assorted currency worth ₹ 1.7 million that was been retained for verification. The requisite documents asked for by the DoE were furnished by the Company on Feb 8, 2010. In this regard, the ED issued a show cause notice dated January 10, 2018 ("**SCN**") to RSL alleging violation of Sections 3(a), 4, 10(4) and 42 of the Foreign Exchange Management Act, 1999. RSL has submitted its reply dated April 3, 2018 to the SCN, *inter alia*, refuting the allegations levelled against RSL. The matter is currently pending.

E. Reliance Telecom Limited

1. Xportsoft Technologies ("**Xportsoft**") has filed a company application (3177/2018) against Reliance Telecom Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹7.76 million. The unpaid invoices pertain to certain services provided by Xportsoft to Reliance Telecom Limited. This matter is currently pending.

2. The Mining and Engineering Corporation ("**MEC**") has filed a company application (3439/2018) against Reliance Telecom Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹0.36 million. The unpaid invoices pertain to certain services provided by MEC to Reliance Telecom Limited. This matter is currently pending.

3. One97 Communications Limited ("**One97**") has filed a company petition (3212/2018) against Reliance Telecom Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹51.55 million. The unpaid invoices pertain to certain services provided by One97 to Reliance Telecom Limited. This matter is currently pending.

4. Handygo Technologies Private Limited ("**Handygo**") has filed an insolvency application (3153/2018) against Reliance Telecom Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹17.11 million. The unpaid invoices pertain to certain services provided by Handygo to Reliance Telecom Limited pursuant to a voice portal agreement executed between them. This matter is currently pending.

5. Evolve Digital Solutions Private Limited ("**Evolve**") has filed a company application (3538/2018) against Reliance Communications Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of a principal amount of ₹2.91 million, along with interest amounting to ₹0.72 million. The payments sought by way by Evolve pertain to voice portal services provided by the applicant to Reliance Telecom Limited. This matter is currently pending.

6. ZTE Corporation ("**ZTE**") has filed an insolvency petition against Reliance Telecom Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution for payment of unpaid invoices amounting to USD 16.71 million (₹1,194.26 million, as on February 7, 2019). The unpaid invoices pertain to equipment supplied and services rendered by ZTE to Reliance Telecom Limited. This matter is currently pending.

7. ZTE Telecom India Private Limited ("**ZTE**") has filed an insolvency petition (4233/2018) against Reliance Telecom Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹34.17 million. The unpaid invoices pertain to services rendered by ZTE to Reliance Telecom Limited. This matter is currently pending.

8. SCF Services Private Limited ("**SCF**") has filed a company petition against Reliance Telecom Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices (along with accrued interest) amounting to ₹0.2 million. The unpaid invoices pertain to certain services provided by SCF to Reliance Telecom Limited. This matter is currently pending.

9. Nazara Technologies Limited ("**Nazara**") has filed a company petition December 4, 2018 against Reliance Telecom Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹13 million. The unpaid invoices pertain to certain services provided by Nazara to Reliance Telecom Limited. This matter is currently pending.

10. Eastcompeace India Private Limited ("**Eastcompeace**") has filed a company petition against Reliance Telecom Limited before the National Company Law Tribunal, seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹50.44 million. The unpaid invoices pertain to supply of sim cards to Reliance Telecom Limited by Eastcompeace. This matter is currently pending.

11. The Central Bureau of Investigation ("**CBI**"), filed a first information report ("**FIR**") against Reliance Telecom Limited ("**RTL**"), and certain Reliance and non-Reliance group persons ("**Respondents**"), for various offences, including criminal breach of trust, criminal conspiracy, forgery, giving false evidence, abetment of corruption of a public servant and abetment of offences under Sections 109, 120B, 193, 409, 420, 468 and 471 of the Indian Penal Code and Sections 11, 12 and 13 of the Prevention of Corruption Act, 1988, in relation to the award of the unified access services license ("**UASL**") to Swan Telecom Private Limited, now known as Etisalat DB Private Limited ("**Swan**"). Under the terms of the UASL, no single person could hold, directly or indirectly, more than 10% of the any licensee in the same service area and for the for the same service ("**Prescribed Limits**"). It is alleged that Swan was ineligible to be granted a UASL as RTL held equity shares in Swan, directly and indirectly, in excess of the Prescribed Limits. RTL refuted the charges stating that it held equity shares in Swan as per the Prescribed Limits at the time Swan had applied for a UASL, and had subsequently sold equity shares it held in Swan prior to grant of the UASL to Swan in 2007. The Special Judge, CBI, New Delhi acquitted the Respondents by its order dated December 21, 2017 ("**Order**"). The CBI filed an appeal bearing number 185/2018 before the Delhi High Court against the Order. The matter is currently pending.

12. For details of other outstanding litigation involving Reliance Telecom Limited, that may have a material impact on our Company, please see disclosure number 1 *"- Litigation involving our Group Companies which may have a material impact on our Company - Outstanding Litigation Against Group Companies which may have a material impact on our Company - Reliance Communications Limited"*.

F. Reliance Tech Services Limited

1. ZTE Telecom India Private Limited ("**ZTE**") has filed an insolvency petition (4232/2018) against Reliance Tech Services Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid invoices amounting to ₹114.87 million. The unpaid invoices pertain to services rendered by ZTE to Reliance Tech Services Limited. This matter is currently pending.

2. Fibcom India Limited ("**Fibcom**") has filed an insolvency petition dated January 14, 2019 against Reliance Tech Services Limited before the National Company Law Tribunal (Mumbai Bench), seeking initiation of corporate insolvency resolution process for payment of unpaid

invoices amounting to ₹14.8 million. The unpaid invoices pertain to services rendered by Fibcom to Reliance Tech Services Limited. This matter is currently pending.

V. Material developments since the last balance sheet date

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments after September 30, 2018*" on page 350, there have been no developments subsequent to September 30, 2018 that we believe are expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

GOVERNMENT AND OTHER APPROVALS

In view of the material approvals listed below, our Company can undertake this Offer and can undertake our current business activities. Except as mentioned below, no further material approvals from any governmental or regulatory authority are required by our Company to undertake this Offer or to continue such business activities. Unless otherwise stated, these approvals are all valid as of date of this Draft Red Herring Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see "Regulations and Policies" on page 175*. For incorporation details of our Company, see "History and Certain Corporate Matters" on page* 188*.*

A. Approvals relating to the Offer

1. Our Board has authorised the Offer, pursuant to their resolutions dated September 8, 2017, read with the resolutions passed by our Board on January 12, 2018 and January 11, 2019. Our Shareholders have authorised the Offer pursuant to their resolution dated September 11, 2017 read with their resolutions dated January 12, 2018 and January 30, 2019. Our IPO Committee has approved the Fresh Issue size pursuant to its resolution dated February 8, 2019.

2. In-principle approval from the BSE dated [●].

3. In-principle approval from NSE dated [●].

4. For authorisation and consent in relation to the Offer for Sale, see "*The Offer*" on page 65.

5. Our Board and our IPO Committee have approved this Draft Red Herring Prospectus pursuant to resolutions dated January 30, 2019 and February 8, 2019, respectively.

6. In-principle approval to the Offer from the IRDAI under the IRDAI Capital Issuance Regulations through letter dated September 4, 2017, and letter from IRDAI dated February 1, 2019 extending the in-principle approval. For further details, see "*Other Regulatory and Statutory Disclosures*" on page 374.

7. Final approval to the Offer from the IRDAI under the IRDAI Capital Regulations through letter dated [●].

B. Approvals relating to our Company's business and operations

I. Corporate and Taxation Related Approvals

1. Initial certificate of incorporation dated August 17, 2000, issued by the RoC to our Company in the name of 'Reliance General Insurance Limited'.

2. Fresh certificate of incorporation dated October 12, 2000, issued by the RoC, pursuant to change of name of our Company to 'Reliance General Insurance Company Limited'.

3. Certificate of commencement of business dated November 17, 2000, issued by the RoC.

4. Permanent account number of our Company, issued by the Income Tax Department, Government of India: AABCR6747B.

5. Tax deduction account number of our Company, issued by the Income Tax Department, Government of India: MUMR10380G.

6. Our Company has obtained registrations in relation to the Goods and Services Tax in 25 states and one Union Territory (as per the Central Goods and Services Tax Act, 2017).

7. Registration number MH/46163 issued by the Employees' Provident Fund Organisation under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

II. Business Approvals

1. *Product related approvals*

As on December 31, 2018, we have 203 product-related IRDAI approvals (in relation to our products and add-ons) across various segments which include fire insurance, motor insurance, crop insurance and health insurance.

2. *Branch office related approvals*

As on December 31, 2018, our Company has 143 offices in India (comprising 131 branch offices and 12 regional offices) which have been approved by the IRDAI, as required. Our top 10 offices have been identified based on the aggregate premium collected by the top 10 offices in the 18 month period ending September 30, 2018 exceeding 50% of the total premium collected across all the offices ("**Material Branches**"). Following are the material approvals applicable to our offices:

(a) IRDAI approval for our offices.

(b) Certificate of registration issued under the relevant shops and establishment legislations of the respective states in which our offices are located.

(c) Certificate of registration for our branch offices under the Contract Labour (Regulation and Abolition) Act, 1970.

(d) Trade licenses issued by the local municipal corporations of the states in which our offices are located, as applicable.

Our Company has obtained these material approvals, in the normal course of business, for its offices located across various states. Certain approvals may have lapsed in their normal course and our Company has either made an application to the appropriate authorities for renewal of such approval or is in the process of making such applications. For details in relation to pending approvals for the Material Branches see "*Government and Other Approvals – Pending Approvals*" on page 373.

3. *Other approvals*

Certificate of registration number 103 issued by IRDAI on October 23, 2000.

C. Intellectual Property related approvals

Trademarks

Our Company has obtained 10 registrations in respect of the intellectual property of our Company during the course of its business. As on the date of this Draft Red Herring Prospectus, our Company has made one application for registration of 'Health o Pedia' mark.

For details of the licensing agreement entered into by our Company for use of trademarks held by Anil Dhirubhai Ambani Ventures Private Limited, please see "*Our Business*" on page 145.

D. Pending Approvals

Approvals expired and renewal application made or to be applied for in respect of our Material Branches:

1. Pending application dated January 10, 2019 for shops and establishment registration for one of our Company's Material Branches in Gandhinagar.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Offer

Our Board has authorised the Offer, pursuant to their resolutions dated September 8, 2017, read with the resolutions passed by our Board on January 12, 2018 and January 11, 2019. Our Shareholders have authorised the Offer pursuant to their resolution dated September 11, 2017 read with their resolutions dated January 12, 2018 and January 30, 2019. Our IPO Committee has approved the Fresh Issue size pursuant to its resolution dated February 8, 2019. The Offer for Sale of up to 79,489,821 Equity Shares has been authorised by Reliance Capital pursuant to a resolution of its board of directors dated February 8, 2019 read with its consent letter dated February 8, 2019.

The IRDAI has granted its in-principle approval to the Offer under the IRDAI Capital Regulations by its letter dated September 4, 2017 ("**In-principle Approval**"). Pursuant to its letter dated February 1, 2019, the IRDAI has extended the validity of the In-principle Approval till May 28, 2019. This approval is subject to, *inter-alia*, the following conditions:

(a) the Company shall not divest more than 49% if its post-Offer paid up share capital, including the Offer for Sale and Fresh Issue: *Noted for compliance*;

(b) this DRHP should be updated to reflect the status as on March 31, 2018: *Complied with*;

(c) our Company to provide prescribed confirmations from concurrent auditor, appointed actuary and custodian: *Complied with to the extent applicable;*

(d) maximum subscription that may be allotted to any class of foreign investors shall be in accordance with, the Foreign Investment Rules, guidelines on Indian Owned and Controlled and any other statutory/ regulatory stipulations, as may be applicable and prescribed by any other regulator in this regard - *Noted for compliance*;

(e) the Equity Shares subject to any prior directions on lock-in period issued by the IRDAI shall not be divested - *Noted for compliance*;

(f) the disclosures in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus shall be in compliance with the requirements as indicated in Schedule 1 of the IRDAI Capital Regulations, in addition to the requirements prescribed under the SEBI ICDR Regulations – *Complied with and noted for compliance*;

(g) the Articles of Association shall be amended so as to explicitly provide that no transfer beyond the limits prescribed in Section 6A of the Insurance Act shall be registered without the prior approval of the IRDAI and any directions, issued by IRDAI in this regard – *Complied with*; and

(h) Our Company is required to ensure compliance with Insurance Act and other applicable circulars, directions and regulations issued thereunder, particularly the IRDA (Protection of Policyholders' Interests) Regulations, 2017 – *Noted for compliance.*

This Draft Red Herring Prospectus has been approved by our Board and our IPO Committee pursuant to their resolutions dated January 30, 2019 and February 8, 2019, respectively. Our Company has received in-principle approvals from the BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Authorities

Our Company, Promoter Selling Shareholder, members of the Promoter Group, Directors, natural persons in control of our Promoter Selling Shareholder are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator in any other jurisdiction or any other authority/court.

Except (i) Rajendra Chitale, who is a director of Reliance Capital and JM Financial Asset Management Limited; (ii) Chhaya Virani, who is a director of Reliance Capital; and (iii) Jai Anmol Ambani, who is a director of

Reliance Capital and Reliance Nippon Life Asset Management Limited, none of our Directors are associated with the securities market. There are no outstanding actions initiated by SEBI in the last five years against our Directors.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter Selling Shareholder, and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is an unlisted company, eligible for the Offer under Regulation 6(1) of the SEBI ICDR Regulations as set forth below:

- Our Company had net tangible assets of at least ₹ 30 million calculated on a restated basis in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;
- Our Company had a minimum average operating profit of ₹ 150 million, calculated on a restated basis, during the three preceding years (of twelve months each), with operating profit in each of the three preceding years;
- Our Company had a net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each), calculated on a restated basis;
- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, operating profit and net worth derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at and for the last three Fiscal Years are set forth below:

(₹ *in million*)

Particulars	**Fiscal Year**		
	2018	**2017**	**2016**
Net tangible assets, as restated*	13,496.43	11,915.92	9,733.36
Monetary assets, as restated **	3,373.15	1,252.85	1,013.02
Monetary assets as a % of net tangible assets	24.99%	10.51%	10.41%
Operating profit, as restated	1,839.68	1,417.18	1,116.42
Net worth, as restated***	14,051.15	12,476.81	10,289.53

**Net Tangible Assets= Net block of fixed assets + capital work in progress for fixed assets (including capital advances) + current and non-current investment +other current assets, loans and advances - loan funds (secured loans + unsecured loans) - current liabilities and provisions.*

*** Monetary Assets = Cash in hand + Balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent) and cheque in hand.*

****For the purposes of the above, "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, each as applicable for the Company on a restated basis. Share application money pending allotment is not considered as part of Net Worth.*

The average operating profit calculated on a restated basis, during the three preceding years being Fiscal Years 2018, 2017 and 2016 is ₹ 1,457.76 million.

Further, our Company and the Promoter Selling Shareholder shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be refunded/ unblocked in the respective ASBA Accounts of the ASBA Bidders, as applicable. In case of delay, if any, in refund/ unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws. The Promoter Selling Shareholder shall provide all required information, support and cooperation to our Company in this respect.

Our Company is in compliance with the following conditions specified under Regulations 5 of the SEBI ICDR Regulations:

(i) Our Company, our Promoter Selling Shareholder, the members of our Promoter Group, and our Directors are not debarred from accessing the capital markets;

(ii) The companies with which our Promoter Selling Shareholder, and our Directors are involved as promoter, or director, as applicable, are not debarred from accessing capital markets under any order or direction passed by SEBI;

(iii) None of our Company, our Promoter or our Directors is a Wilful Defaulter;

(iv) None of our Directors is a fugitive economic offender;

(v) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus, except employee stock options issued pursuant to the RGICL ESOP 2017.

Further, the entire requirement of funds towards objects of the Fresh Issue, other than working capital requirements, will be met from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue.

The Promoter Selling Shareholder confirms that it is in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE GCBRLMs AND THE BRLMs, BEING MOTILAL OSWAL INVESTMENT ADVISORS LIMITED, CLSA INDIA PRIVATE LIMITED, CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED, HAITONG SECURITIES INDIA PRIVATE LIMITED, INDUSIND BANK LIMITED AND YES SECURITIES (INDIA) PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE PROMOTER SELLING SHAREHOLDER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, the GCBRLMs AND THE BRLMs, BEING MOTILAL OSWAL INVESTMENT ADVISORS LIMITED, CLSA INDIA PRIVATE LIMITED, CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED, HAITONG SECURITIES INDIA PRIVATE LIMITED, INDUSIND BANK LIMITED AND YES SECURITIES (INDIA) LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHARHEOLDER DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE GCBRLMs AND THE BRLMs, BEING MOTILAL OSWAL INVESTMENT ADVISORS LIMITED, CLSA INDIA PRIVATE LIMITED, CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED, HAITONG SECURITIES INDIA PRIVATE LIMITED, INDUSIND BANK LIMITED AND YES SECURITIES (INDIA) LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 8, 2019, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES

THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE GCBRLMs AND THE BRLMS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Price information of past issues handled by the GCBRLMs and the BRLMs

A. Motilal Oswal

1. Price information of past issues handled by Motilal Oswal:

Sr. No.	Issue Name	Issue Size (Rs. million)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	IndoStar Capital Finance Limited	18,440.00	572.00	21-May-18	600.00	-1.92% [+2.43%]	-16.28% [+9.07%]	39.97% [+1.57%]
2.	MAS Financial Services Limited	4,600.42	459.00	18-Oct-17	660.00	28.45% [+0.71%]	35.80% [+4.79%]	31.55% [+3.11%]
3.	Dixon Technologies (India) Limited	5,992.79	1766.00	18-Sep-17	2,725.00	50.78% [+0.57%]	80.93% [+1.77%]	95.22% [+0.41%]
4.	AU Small Finance Bank Limited	19,125.14	358.00	10-July-17	530.00	53.60% [+1.40%]	71.80% [+2.14%]	95.38% [+8.06%]
5.	GTPL Hathway Limited	4,848.00	170.00	4-July-17	170.00	-13.32% [+4.16%]	-19.09% [+1.82%]	-2.94% [+9.54%]
6.	PSP Projects Limited	2,116.80	210.00	29-May-17	190.00	21.67% [-1.18%]	52.33% [+2.63%]	103.21% [+8.17%]
7.	Avenue Supermarts Limited	18,700.00	299.00	21-Mar-17	600.00	152.94% [+0.16%]	166.35% [+5.88%]	263.80% [+10.57%]
8.	BSE Limited	12,434.32	806.00	3-Feb-17	1,085.00	10.51% [+1.79%]	24.21% [+7.08%]	32.41% [+15.34%]
9.	S.P. Apparels Limited	2,391.20	268.00	12-Aug-16	275.00	27.33% [+2.24%]	17.09% [-0.54%]	51.94% [+1.11%]
10.	Parag Milk Foods Limited	7,505.37	215.00	19-May-16	217.50	17.07% [+4.97%]	48.67% [+11.04%]	38.93% [+6.59%]

Source: www.nseindia.com
Notes:
i. *The S&P CNX NIFTY is considered as the Benchmark Index.*
ii. *Price on NSE is considered for all of the above calculations.*
iii. *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.*
iv. *In Parag Milk Foods Limited, the issue price to retail individual investor and employees was ₹ 203 per equity share after a discount of ₹ 12 per equity share. The Anchor Investor Issue price was ₹ 227 per equity share.*

2. Summary statement of price information of past public issues handled by Motilal Oswal Investment Advisors Limited:

Financial Year	Total no. of IPOs	Total funds raised (Rs. million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over	Between 25%-	Less than	Over	Between 25%-	Less than	Over	Between 25%-	Less than	Over	Between 25%-	Less tha

			50 %	50%	25 %	50%	50%	25 %	50%	50%	25 %	50%	50%	n 25 %
2018 – date*	1	18,440.00	NA	NA	1	NA	NA	NA	NA	NA	NA	NA	NA	NA
2017-2018	5	36,683.15	NA	NA	1	2	1	1	NA	NA	1	3	1	NA
2016-2017	4	41,000.89	NA	NA	NA	1	1	2	NA	NA	NA	2	2	NA

Source: www.nseindia.com
** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.

B. CLSA

1. Price information of past issues handled by CLSA:

Sr. No.	Issue name	Issue size (in Rs. million)	Issue price (Rs.)	Listing date	Opening price on listing date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	HDFC Asset Management Company Limited	28,003.31	1,100.00	August 6, 2018	1,726.25	+58.04%, [+1.17%]	+30.61%, [-7.32%]	+23.78%, [-4.33%]
2.	Lemon Tree Hotels Limited	10,386.85	56.00	April 9, 2018	61.60	+30.18%, [+3.26%]	+29.91%, [+3.79%]	+19.46%, [-0.61%]
3.	ICICI Securities Limited	35,148.49	520.00	April 4, 2018	435.00	-27.93%, [+5.44%]	-37.26%, [+5.22%]	-44.39%, [+7.92%]
4.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	+3.50%, [+3.00%]	+6.91%, [-1.86%]	-5.20%, [+4.13%]
5.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	+31.52%, [+0.48%]	+48.93%, [+2.11%]	+74.66%, [+5.04%]
6.	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	+3.61%, [-3.19%]	+5.91%, [+2.95%]	-4.21%, [+1.59%]
7.	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	+3.62%, [+6.25%]	+17.60%, [+7.78%]	+12.13%, [+2.69%]
8.	Varun Beverages Limited	11,125.00	445.00	November 8, 2016	430.00	-7.72%, [-5.17%]	-11.49%, [+2.31%]	+8.89%, [+8.68%]
9.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%, [+0.54%]	-11.54%, [-6.50%]	+12.31%, [+5.28%]

Source: www.nseindia.com
Notes:

1. *The CNX NIFTY is considered as the Benchmark Index.*
2. *Price on NSE is considered for all of the above calculations.*

3. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.*

2. Summary statement of price information of past issues handled by CLSA:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in millions)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2018-2019	3	73,538.64	-	1	-	1	1	-	-	1	-	-	-	2
2017-2018	4	165,878.81	-	-	-	-	1	3	-	-	2	1	-	1
2016-2017	2	71,692.91	-	-	2	-	-	-	-	-	-	-	-	2

Note:
1. *For 2018-19, the information is as on the date of this Offer Document*
2. *The Total number of IPOs and the Total amount of funds raised have been included for each financial year based on the IPO listed during such financial year*

C. Credit Suisse

1. Price information of past issues handled by Credit Suisse:

Sr. No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	S Chand and Company Limited	7,285.57	670.00	May 09, 2017	700.00	-18.10%, [3.72%]	-26.91%, [7.95%]	-28.06%, [12.18%]
2	IRB InvIT Fund	50,328.84	102.00	May 18, 2017	102.00	-2.61%, [1.68%]	-5.49%, [4.96%]	-11.03%, [8.44%]
3	Eris Lifesciences Limited	17,411.63	603.00	June 29, 2017	611.00	1.12%, [5.37%]	-5.45%, [3.87%]	26.48%, [10.81%]
4	Godrej Agrovet Limited	11,573.12	460.00	October 16, 2017	615.60	-11.22%, [-0.43%]	4.77%, [4.99%]	16.68%, [2.44%]
5	HDFC Standard Life Insurance Company Limited	86,950.00	290.00	November 17, 2017	310.00	9.53%, [1.02%]	25.33%, [2.11%]	46.98%, [5.04%]
6	Varroc Engineering Limited	19,549.61	967.00	July 6, 2018	1,015	-4.39%, [5.70%]	-13.57% [0.79%]	-29.17% [1.28%]

Source: www.nseindia.com for the price information and prospectus for issue details

Notes:
- i. *30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th , 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading date*
- ii. *Price information and benchmark index values have been shown only for the designated stock exchange in the above table*
- iii. *NSE is the designated stock exchange for the issue listed in the above table. NIFTY has been used as the benchmark index*
- iv. *Details for Creditaccess Grameen is not available, as the company got listed on August 23, 2018 and 90th, 180th calendar day has not been completed*

2. Summary statement of price information of past issues handled by Credit Suisse:

Financial Year	Total no. of IPOs	Total funds Raised (in ₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25 %	Over 50%	Between 25%-50%	Less than 25 %	Over 50%	Between 25%-50%	Less than 25 %	Over 50%	Between 25%-50%	Less than 25 %
2016-2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2017-2018	5	173,549.16	-	-	3	-	-	2	-	1	1	-	2	1
2018-2019	2	30.861.49	-	1	1	-	-	-	-	1	-	-	-	-

D. Haitong

1. Price information of past issues handled by Haitong

S. No.	Issue Name	Issue Size (INR million)	Issue price (INR)	Listing Date	Opening Price on Listing Date (INR)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+150.70% [5.18%]	+128.86% [2.26%]	+146.71% [10.61%]
2	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	31.52% [0.48%]	48.93% [2.11%]	74.66% [5.04%]

Source: www.nseindia.com

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
4. *The Nifty 50 index is considered as the benchmark index*

2. Summary statement of price information of past issues handled by Haitong:

Fiscal Year	Total no. of IPOs	Total amount of funds raised (INR Mn)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018^	2	92,189.98	-	-	-	1	1	-	-	-	-	2	-	-

^The information is as on the date of this Draft Red Herring Prospectus.*

1. Based on date of listing.

2. Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.

3. The Nifty 50 index is considered as the Benchmark Index.

For the financial year 2017-18 – 2 issues have been completed.

E. IndusInd

IndusInd has not handled any initial public offerings of equity shares in the current Financial Year and the two Financial Years preceding the current Financial Year.

F. YES Securities

1. Price information of past issues handled by YES Securities:

Sr. No.	Issue name	Issue size (in Rs. million)	Issue price (Rs.)	Listing date	Opening price on listing date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Garden Reach Shipbuilders & Engineers Limited	3,435.89	118.00	October 10, 2018	102.50	-23.39% [+1.32%]	-19.11%; [+2.98%]	-
2.	Lemon Tree Hotels Limited	10,386.85	56.00	April 9, 2018	61.60	+30.18%; [+3.26%]	+29.91%; [+3.79%]	+19.46%; [-0.61%]
3.	Bharat Dynamics Limited	9,609.44	428.00	March 23, 2018	370.00	-2.90%; [+5.66%]	-9.78%; [+7.43%]	-19.60%; [+12.37%]
4.	Aster DM Healthcare Limited	9,801.37	190.00	February 26, 2018	183.00	-13.66%; [-3.77%]	-4.97%; [+0.21%]	-8.16%; [+9.21%]
5.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	+3.50%; [+3.00%]	+6.91%; [-1.86%]	-5.20%; [+4.13%]
6.	The New India Assurance Company Limited	96,000.00	800.00	November 13, 2017	750.00	-27.91%; [+0.15%]	-12.93%; [+2.25%]	-13.06%; [+5.69%]
7.	Reliance Nippon Life Asset Management Company Limited	15,422.40	252.00	November 06, 2017	295.90	+3.61%; [-3.19%]	+5.91%; [+2.95%]	-4.21%; [+1.59%]
8.	Dixon Technologies (India) Limited	5,992.79	1,766	September 18, 2017	2,725.00	+50.12; [+0.80%]	+80.93%; [+1.77%]	+95.22%; [+0.41%]
9.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-3.29%; [+1.17%]	+3.14%; [+5.40%]	+39.12%; [+8.62%]
10.	GTPL Hathway	4,848.00	170.00	July 4, 2017	170.00	-10.71%; [+4.87%]	-19.09%; [+1.82%]	-2.94%; [+9.54%]

Sr. No.	Issue name	Issue size (in Rs. million)	Issue price (Rs.)	Listing date	Opening price on listing date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
	Limited							

Source: www.nseindia.com

Notes:

1. *Benchmark Index taken as CNX NIFTY*
2. *Price on NSE is considered for all of the above calculations*
3. *% change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index on the day of the listing date.*
4. *If either of the 30th, 90th or 180th calendar day is a trading holiday, the previous trading day has been considered for the computation.*
5. *Restricted to last 10 issues*

2. Summary statement of price information of past issues handled by YES:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in millions)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2018-2019	2	13,822.74	-	-	1	-	1	-	-	-	-	-	-	1
2017-2018	9	161,206.66	-	1	4	2	-	2	-	-	6	2	1	-
2016-2017	2	15,125.00	-	-	1	1	-	-	-	-	-	1	-	1

Notes:

Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date.

The information for the financial year is based on issue listed during such financial year.

Track record of past issues handled by the GCBRLMs and the BRLMs

For details regarding the track record of the GCBRLMs and the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the GCBRLMs and the BRLMs, as set forth in the table below:

Sr. No	Name of the GCBRLM/BRLM	Website
1.	Motilal Oswal	www.motilaloswalgroup.com
2.	CLSA	www.india.clsa.com
3.	Credit Suisse	https://www.credit-suisse.com/in/en/investment-banking/regional-presence/asia-pacific/india/ipo.html
4.	Haitong	http://www.htisec.com/en-us/haitong-india
5.	IndusInd	www.indusind.com
6.	YES	www.yesinvest.in

Disclaimer from our Company, the Promoter Selling Shareholder, our Directors and the GCBRLMs and the BRLMs

Our Company, the Promoter Selling Shareholder, our Directors, the GCBRLMs and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website www.reliancegeneral.co.in or the respective websites of any of our Promoter, Promoter Group, Group Companies or of any affiliate of our Company and the Promoter Selling Shareholder, would be doing so at his or her or their own risk. Unless required by law, the Promoter Selling Shareholder, and where applicable, its respective directors, affiliates, associates and officers accept no responsibility for any statements and undertakings, except such statements and undertakings made or confirmed by them in this Draft Red Herring Prospectus specifically in relation to itself, and the Offered Shares, are true and correct.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important NBFCs or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-SIs and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs, and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.Any person into whose possession the Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and the Promoter Selling Shareholder from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Disclaimer Clause of IRDAI

THE IRDAI DOES NOT UNDERTAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF OUR COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS CONNECTION. ANY APPROVAL BY THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA ("IRDAI") UNDER THE IRDAI ISSUANCE OF CAPITAL REGULATIONS (AS DEFINED IN "*DEFINITIONS AND ABBREVIATIONS*") SHALL NOT IN ANY MANNER BE DEEMED TO BE OR SERVE AS A VALIDATION OF THE REPRESENTATIONS BY OUR COMPANY IN THE OFFER DOCUMENT. THE ISSUE HAS NOT BEEN RECOMMENDED OR APPROVED BY IRDAI, NOR DOES IRDAI GUARANTEE THE ACCURACY OR ADEQUACY OF THE CONTENTS / INFORMATION IN THIS DISCLOSURE DOCUMENT. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS DISCLOSURE DOCUMENT SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY IRDAI.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Offer. The [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Promoter Selling Shareholder will forthwith repay, all monies received from the applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, subject to applicable law.

The Promoter Selling Shareholder confirms that it shall extend complete co-operation required by our Company and the GCBRLMs and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

Consents

Consents in writing of (a) the Selling Shareholder, our Directors, our Company Secretary and Compliance Officer for the Offer, , the GCBRLMs and the BRLMs, legal counsel, bankers to our Company, ICRA, our Joint Statutory Auditors, our previous statutory auditors (in the past three years) and the Registrar to the Offer, in their respective capacities have been obtained; and consents in writing of (b) the Syndicate Members, the

Escrow Collection Bank(s), Public Offer Account Bank(s) the Sponsor Bank and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013. Further, consents received prior to filing of this Draft Red Herring Prospectus have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus with SEBI.

Expert to the Offer

Except as stated herein, our Company has not obtained any expert opinions.

Our Company has received written consent from the Joint Statutory Auditors, namely, Price Waterhouse Chartered Accountants LLP, Chartered Accountants and Pathak H.D. & Associates, Chartered Accountants to include their names as experts under Section 26 of the Companies Act, 2013 in the Red Herring Prospectus in relation to the reports of the Joint Statutory Auditors dated January 30, 2019, on the Restated Financial Information of our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the Securities Act, the Joint Statutory Auditors have not given consent under Section 7 of the Securities Act. In this regard, the Joint Statutory Auditors have given consent to be referred to as experts in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act, 2013. The term experts as used in this Draft Red Herring Prospectus is different from those defined under the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. The reference to the Joint Statutory Auditors as experts in this Draft Red Herring Prospectus is not made in the context of the Securities Act but solely in the context of this initial public offering in India.

Our Company has received consent of Pathak H.D. & Associates, Chartered Accountants in relation to their report on statement of possible special tax benefits dated February 8, 2019 available for our Company and its shareholders.

Such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Public or rights issues by our Company during the last five years

Our Company has not made any public issue during the five years immediately preceding the date of this Draft Red Herring Prospectus. Further, during the five years immediately preceding the date of this Draft Red Herring Prospectus, our Company has made an allotment of 3,000,000 Equity Shares through a rights issue, on July 18, 2016. For further details in relation to this allotment, see "*Capital Structure – Notes to Capital Structure*" on page 75.

Commission and brokerage paid on previous issues

Since this is an initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Capital issue during the previous three years by our Company, our listed Group Companies, subsidiaries and associates

Our Company does not have any subsidiaries or associates. Three of our Group Companies, namely Reliance Home Finance Limited, Reliance Nippon Life Asset Management Company and Reliance Communications Limited have equity shares listed on the Stock Exchanges. Reliance Home Finance Limited and Reliance Communications Limited have not made any public, rights or composite issue during the three years preceding the date of this Draft Red Herring Prospectus. Reliance Nippon Life Asset Management Company Limited made an initial public offer of its equity shares in 2017. Details of such initial public offer by Reliance Nippon Life Asset Management Company Limited are as below:

Information	Details
Year of Issue	2017
Type of Issue (Public/Rights/Composite)	Public issue of equity shares
Amount of Issue (₹)	15,422.40 million
Issue Price (₹)	252
Current Market Price (₹)	155.70 and 155.10 (As on February 7, 2019, as pe BSE and NSE data, respectively)
Date of Closure of Issue	October 27, 2017
Date of Allotment and Credit of Securities to Dematerialized Account of Investors	November 2, 2017
Date of Completion of the Project, where Object of the Issue was Financing the Project	Not applicable, as this is still ongoing
Rate of Dividend Paid	Interim Dividend at ₹ 5/- per equity Share and final dividend at ₹ 1/- per equity Share, for the Fiscal Year 2018

For details in relation to capital issued by our Company, please see "*Capital Structure – Notes to Capital Structure*" on page 75.

Performance vis-à-vis objects – our Company

Our Company has not undertaken any public issue since its incorporation, and except as disclosed in the "*Capital Structure*" on page 75, our Company has not undertaken any rights issue during the last five years preceding the date of this Draft Red Herring Prospectus.

All the objects mentioned in the offer documents of the rights issue by our Company during the period of five years immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI have been met.

Performance vis-à-vis objects – Last issue of Subsidiaries or promoter

Our Company does not have any subsidiaries. Further, our Promoter Selling Shareholder has not undertaken any public or rights issue (as defined under the SEBI ICDR Regulations) in the five years preceding the date of this Draft Red Herring Prospectus. Accordingly, the requirement to disclose performance vis-à-vis objects in respect of earlier offerings does not apply to our Promoter Selling Shareholder.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least three years from the date of commencement of trading of the Equity Shares on the Stock Exchanges, to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances.

Bidders may contact the GCBRLMs and the BRLMs for any complaints pertaining to the Offer. All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder and the ASBA Account number (for Bidders other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIIs applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Bidder, Anchor Investor Application Form number, Bidder DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Our Company, the GCBRLMs and the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of the Designated Intermediaries including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholders' Relationship Committee. For details, see "*Our Management*" on page 192.

Our Company has appointed Mohan Khandekar as our Company Secretary and Compliance Officer for the Offer who may be contacted in case of any pre-Offer or post-Offer related grievances. His contact details are as follows:

Reliance Centre, South Wing, 4th Floor
Off. Western Express Highway, Santacruz (East)
Mumbai 400 055, Maharashtra, India
Tel: +91 22 3303 1000
E-mail: rgicl.compsec@relianceada.com

The Promoter Selling Shareholder has authorised the Company Secretary and Compliance Officer of the Offer, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Investor grievance mechanism and investor complaints for the group listed companies

As on date of this Draft Red Herring Prospectus, no investor complaints are pending against Reliance Home Finance Limited, Reliance Nippon Life Asset Management Company Limited and Reliance Communications Limited.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered issued, and transferred pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, the Insurance Act, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by the SEBI, IRDAI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder. The Offer-related expenses shall be shared between our Company and the Promoter Selling Shareholder in proportion of the size of the Fresh Issue and the Offer for Sale respectively. All Offer-related expenses shall initially be borne by the Promoter Selling Shareholder. Upon successful completion of the Offer, our Company shall reimburse the Promoter Selling Shareholder its proportionate share of the Offer-related expenses.

Ranking of the Equity Shares

The Equity Shares being issued, offered and transferred in the Offer shall be subject to the provisions of the Companies Act, 2013, Companies Act, 1956 (to the extent applicable), the Insurance Act, our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of the Articles of Association*" on page 416.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum and Articles, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Main Provisions of the Articles of Association"* on pages 233 and 416, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Promoter Selling Shareholder, in consultation with BRLMs, and advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and [●]edition of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting';
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations, the Insurance Act and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see "*Main Provisions of the Articles of Association*" on page 416.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only.

Market Lot and Trading Lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Offer Structure – Bid/Offer Programme*" on page 394.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If investors wish to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer equivalent to at least 10% post-Offer paid up equity share capital of our Company (the minimum number of securities as specified under Rule 19(2)(b)(iii) of the SCRR), including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen percent per annum.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(iii) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the Minimum Promoter's Contribution and Allotments made to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" and "*Offer Procedure - Restrictions on shareholding in insurance companies*" on pages 75 and 397 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" at page 416.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States

in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million (the "Offer"). The Offer comprises of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 2,000 million and an Offer for Sale of up to 79,489,821 Equity Shares aggregating up to ₹ [●] million. The Offer comprises of a Net Offer of up to [●] Equity Shares and Reliance Capital Shareholders' Reservation Portion of up to 10% of the Offer. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-offer paid-up equity share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders	Reliance Capital Shareholders' Reservation Portion
Number of Equity Shares available for Allotment / Allocation [2]	Not more than [●] Equity Shares.	Not less than [●] Equity Shares or Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than [●] Equity Shares or Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	Up to [●] Equity Shares.
Percentage of Offer available for Allotment/allocation	Not more than 50% of the Net Offer shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available for allocation to QIBs.	Not less than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 35% of the Net Offer or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	Up to 10% of the size of the Offer
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. Our Company and the	Proportionate.	Allotment to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For further details, see the General Information Document.	Proportionate.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders	Reliance Capital Shareholders' Reservation Portion
	Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only.			
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares.
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed ₹ 200,000.	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.
Mode of Allotment	Compulsorily in dematerialised form.			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Share.			
Trading Lot	One Equity Share.			
Who can Apply[3]	Mutual Funds, Venture Capital Funds, AIFs, FVCIs, FPIs (other than Category III FPIs) public financial institution as defined in Section 2(72) of the Companies Act, 2013, a scheduled commercial bank, multilateral and bilateral development financial institution, state industrial development corporation, insurance company registered with the Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and NBFC-SI.	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies and trusts, Category III FPIs.	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.	Individuals and HUFs who are the public equity shareholders of Reliance Capital, (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) as on the date of the Red Herring Prospectus.

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders	Reliance Capital Shareholders' Reservation Portion
Terms of Payment[(4)]	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ***In case of all other Bidders***: Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders (other than Anchor Investors) that is specified in the ASBA Form at the time of the submission of the Bid cum Application Form			
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process.	Only through the ASBA process.	Only through the ASBA process.

(1) *Our Company and the Promoter Selling Shareholder may, in consultation with the GCBRLMs and the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page* 397.

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b)(iii) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the GCBRLMs and the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(iii) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations, Allotment will be first made towards the Fresh Issue from the valid Bids. For further details, please see "Terms of the Offer" on page 388.

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Further, a Bidder Bidding in the Reliance Capital Shareholders' Reservation Portion (subject to the Payment Amount being up to ₹ 200,000) can also Bid under the Net Offer and such Bids will not be treated as multiple Bids. To clarify, a Reliance Capital Shareholder Bidding in the Reliance Capital Shareholders' Reservation Portion above ₹ 200,000 cannot Bid in the Net Offer as such Bids will be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. The unsubscribed portion if any, in the Reliance Capital Shareholders' Reservation Portion shall be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription shall be permitted from the Reliance Capital Shareholders' Reservation Portion.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Bid/Offer Programme

BID/ OFFER OPENS ON*	**[●]**
BID/ OFFER CLOSES ON**	**[●]**

**Our Company and the Promoter Selling Shareholder may, in consultation with the GCBRLMs and the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.*

***Our Company and the Promoter Selling Shareholder may, in consultation with the GCBRLMs and the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

The above timetable is indicative and does not constitute any obligation on our Company, the Promoter Selling Shareholder or the GCBRLMs and the BRLMs. While our Company and Promoter Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company and the Promoter Selling Shareholder, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Promoter Selling Shareholder confirms that it shall extend complete co-operation required by our Company and the GCBRLMs and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time ("**IST**")) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

(i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST);

(ii) on the Bid/Offer Closing Date:

  (a) in case of Bids by Non-Institutional Bidders, Reliance Capital Shareholders Bidding in the Reliance Capital Shareholders' Reservation Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

  (b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs and the Sponsor Bank will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Promoter Selling Shareholder, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

Our Company and the Promoter Selling Shareholder, in consultation with the GCBRLMs and the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid/Offer Opening Date.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the GCBRLMs and the BRLMs and at the terminals of the Members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders should review the General Information Document, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the GCBRLMs and the BRLMs. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders/Applicants; (v)Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid Form); (vii) designated date; (viii) disposal of applications; (ix) Submission of Bid cum Application Form; (x) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in allotment or refund.

Our Company, the Promoter Selling Shareholder and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document or for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein 50% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Promoter Selling Shareholder, in consultation with the GCBRLMs and the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. The number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable law. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. The unsubscribed portion if any, in the Reliance Capital Shareholders' Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription shall be permitted from the Reliance Capital Shareholders' Reservation Portion. In accordance with Rule 19(2)(b)(iii) of the SCRR, the Offer will constitute at least 10% of the post Offer paid-up equity share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Restrictions on shareholding in insurance companies

Requirements under applicable laws

The Insurance Act and regulations framed by the IRDAI contain a number of restrictions on shareholding in insurance companies, including the following:

(a) Under section 6A(4)(b)(ii) of the Insurance Act, an insurance company cannot register a transfer of its shares where, after the transfer, the total paid-up holding of the transferee in the shares of the company is likely to exceed five percent of its paid-up capital, unless previous approval of IRDAI has been obtained for the transfer;

(b) Under section 6A(4)(b)(iii) of the Insurance Act, an insurance company cannot register a transfer of its shares where, the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of a group, or body corporate under the same management, jointly or severally exceeds one percent of the paid-up equity capital of the insurer, unless previous approval of IRDAI has been obtained for the transfer. Further, under the Listed Insurance Companies Guidelines, which are applicable for the allotment process pursuant to a public offering, a self certification of 'fit and proper' may be filed with the insurance company by such investor who intends to make any transfer or any arrangement or agreement to transfer one percent or more but less than five per cent of the paid up equity share capital of the concerned insurer, which would be deemed to be an approval from IRDAI for the purpose of section 6A(4)(b)(iii) of the Insurance Act;

(c) Under the Listed Insurance Companies Guidelines, where a person intends to acquire such number of equity shares which will or is likely to result in the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to five per cent or more of the paid up equity share capital of the insurance company or the total voting rights of the insurance company such person is required to obtain prior approval of the IRDAI.

Accordingly, prospective Bidders should note the following:

(a) in the event any Bidder places a Bid amounting to one percent or more, but less than five percent of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit self certification of 'fit and proper criteria', in the manner provided below;

(b) in the event any Bidder places a Bid for such number of Equity Shares, as may result in the shareholding of such Bidder becoming five percent or more of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit a copy of the prior approval obtained from the IRDAI, in the manner provided below.

Manner of submission of 'self certification' and prior approval of IRDAI

If any Bidder makes a Bid for Equity Shares representing one percent or more but less than five percent of the post-Offer paid up equity share capital of our Company, such Bidder will be required to attach a self certification with the Bid cum Application Form, confirming and certifying that such Bidder is a 'fit and proper person'.

If any Bidder makes a Bid for Equity Shares representing 1% or more but less than 5% of the post-Offer paid up equity share capital of our Company, such Bidder will be required to attach a self certification with the Bid cum Application Form, confirming and certifying that such Bidder is a fit and proper person'. To be a 'fit and proper person', the Bidder must be:

1. Either:

    a. an intermediary registered (or deemed to be registered) with SEBI in terms of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended; or

    b. an entity carrying out business which is regulated in India by the Reserve Bank of India, the SEBI, the Insurance Regulatory and Development Authority of India, the Pension Fund Regulatory and Development Authority or outside India by any financial services, capital markets or banking regulatory authorities including the U.S. Securities and Exchange

Commission, the (U.K.) Prudential Regulation Authority, Monetary Authority of Singapore and Hong Kong Monetary Authority; or

c. a subsidiary of an entity falling under a and b above; or

d. a sovereign wealth fund or an investment company which is controlled by a sovereign wealth fund, either directly or indirectly; or

e. a person who or whose affiliates (including the investment companies of such Bidder) is the promoter of a company in the top 100 listed companies in India. The top 100 listed companies will be on the basis of their respective market capitalisation. The market capitalisation shall be the product of the weighted average number of total shares‖ of such company and the volume weighted average market price of such shares for the preceding quarter. (The terms "weighted average number of total shares" and "volume weighted average market price" have the meaning assigned to them in the Takeover Regulations. The preceding quarter in relation to the Offer, is the period from September 30, 2018 until December 31, 2018 (inclusive of both days). Additionally, the "volume weighted average market price will be adjusted for corporate actions such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of extraordinary dividend (50% higher than the dividend per share paid during the preceding three financial years), demergers and reduction of capital, where the record date for effecting such corporate actions falls within the preceding quarter).

2. Is eligible to hold, subscribe and deal with the Equity Shares under the applicable laws; and

3. The aggregate of the existing shareholding of the Bidder in the Offer, if any, and the Equity Shares for which the Bidder's Bid has been made do not exceed 5% of the post-Offer paid up equity share capital of our Company.

Bidders submitting Bid for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company should satisfy the 'fit and proper person' criteria as set out hereinabove. Bidder not qualifying the above criteria may submit the self-certification highlighting the 'fit and proper person', as their application, for our consideration. Based on the self-certification submitted by the Bidder, our Company shall determine whether the Bidder is 'fit and proper' to acquire 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company. Failing this, our Company reserves the right to reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of Bidders who place a Bid for such number of Equity Shares that may result in the shareholding of such Bidder becoming five percent or more of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit a copy of the prior approval obtained from the IRDAI.

A clearly legible copy of the aforementioned IRDAI approval together with the application submitted by such Bidder with the IRDAI for obtaining such prior approval must be submitted by the Bidders along with a copy of the Bid cum Application Form, with the Registrar to the Offer at least one Working Day prior to the finalisation of the Basis of Allotment as stated above. The IRDAI application should clearly mention the name(s) of the entities which propose to Bid in the Offer, the aggregate shareholding of the Bidder in the pre-Issue paid-up share capital of our Company and the maximum permitted holding of Equity Shares by such Bidder, in accordance with the above requirements. **In the absence of such submission, our Company shall limit Allotment to such Bidders to such number of Equity Shares which would restrict the resultant shareholding of such Bidder to less than five percent of the total post-Offer share capital of our Company**.

Phased implementation of Unified Payments Interface

SEBI has issued a circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the circular, Unified Payments Interface will be introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Bidders through intermediaries. Phase I of this mechanism will be applicable from January 1, 2019.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanism for RIIs applying through Designated Intermediaries will be made effective along with the existing process and existing timeline of T+6 days. The same will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase I**"). Thereafter, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds will be discontinued and only the UPI mechanism with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs ("**UPI Phase III**"), as may be prescribed by SEBI. This Offer will be under UPI Phase I.

Bid cum Application Form

All Bidders (other than Anchor Investors) are required to mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

Copies of the ASBA Forms and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres and at our Registered Office. Electronic copies of the ASBA Forms will also be available for download on the websites of the Stock Exchanges, namely, NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid/Offer Opening Date. Anchor Investor Application Forms shall be available at the offices of the GCBRLMs and the BRLMs at least one day prior to the Anchor Investor Bidding Date.

Bidders (other than Anchor Investors and RIIs bidding using the UPI mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected. Sponsor Bank shall provide the UPI linked bank account of the bidders to the Registrar to the Offer for purpose of reconciliation.

RIIs bidding using the UPI mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected. Further, such Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms not bearing such specified stamp maybe liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis **	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs and registered multilateral and bilateral development financial institutions applying on a repatriation basis **	[●]
Reliance Capital Shareholders applying in the Reliance Capital Shareholders' Reservation Portion on a non-repatriation basis	[●]
Reliance Capital Shareholders applying in the Reliance Capital Shareholders' Reservation Portion on a repatriation basis	[●]
Anchor Investors***	[●]

* *Excluding electronic Bid cum Application Forms.*

** *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

*** *Bid cum Application Forms for Anchor Investors shall be available at the offices of the GCBRLMs and the BRLMs.*

Designated Intermediaries (other than SCSBs) shall submit/ deliver ASBA Forms (except Bid cum Application Forms from RIIs bidding using the UPI mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or the Escrow Collection Bank.

Who can Bid?

In addition to the category of Bidders set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs, other than Category III FPIs;
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion
- Scientific and/or industrial research organisations in India, which are authorised to invest in equity shares; and
- Any other person eligible to Bid in this Offer, under the laws, rules, regulations, guidelines and polices applicable to them.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by associates and affiliates of the GCBRLMs and the BRLMs and the Syndicate Members

The GCBRLMs and the BRLMs and the Syndicate Member(s) shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the GCBRLMs and the BRLMs and the Syndicate Member(s) may subscribe to or purchase Equity Shares in the Offer, in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders. Such Bidding and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLMs and Syndicate Member(s), shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the (i) GCBRLMs and BRLMs (s) or any associate of the GCBRLMs or BRLMs (other than mutual funds sponsored by entities which are associate of the GCBRLMs or BRLMs or insurance companies promoted by entities which are associate of the GCBRLMs or BRLMs or Alternate Investment Funds (AIFs) sponsored by the entities which are associate of the GCBRLMs or BRLMs or FPIs other than Category III sponsored by the entities which are associate of the GCBRLMs or BRLMs) nor (ii) any person related to the Promoter Selling Shareholder or members of the Promoter Group shall apply under the Anchor Investors category. Persons related to the Promoter Selling Shareholder and members of Promoter Group shall be identified in accordance with Schedule XIII of the SEBI ICDR Regulations.

Bids by Mutual Funds

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid in whole or in part, in either case, without assigning any reason thereof.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

NRIs may obtain copies of ASBA Forms from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a non-repatriation basis should authorise their SCSB to block their NRO accounts for the full Bid Amount. Eligible NRIs Bidding on a non-repatriation basis are advised to use the Bid cum Application Form for residents.

Bids by FPIs

On January 7, 2014, SEBI notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**") pursuant to which the existing classes of portfolio investors, namely, Foreign Institutional Investors and Qualified Foreign Investors were subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer equity share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board, followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to RBI. For calculating the aggregate holding of FPIs in our company, holding of all registered FPIs shall be included. In terms of the above-mentioned provisions of the FEMA Regulations, the existing individual and aggregate investment limits for an FPI in our Company is 10% and 24% of the total paid-up equity share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("**ODIs**"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

An FPI shall issue ODIs only to those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPIs by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) such offshore derivative instruments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by resident Indians or NRIs. An FPI is also required to ensure that no further transfer of offshore derivative instrument issued by or on behalf of it is made in compliance with specified conditions.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "**SEBI VCF Regulations**") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, *inter alia* prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment

Funds) Regulations, 2012 (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

All non resident investors should note that refunds (in case of Anchor Investors), dividend and other distributions by the Company, if any, will be payable in Indian Rupee only and net of bank commission and charges. Neither our Company nor the GCBRLMs and the BRLMs will be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid without assigning any reason therefor.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 9 of the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "**IRDAI Investment Regulations**") are set forth below:

(i) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/ investment assets in case of a general insurer or a reinsurer;

(ii) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(iii) the industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be. The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹2,500,000 million.

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time to time.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the GCBRLMs and the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company and the Promoter Selling Shareholder, in consultation with the GCBRLMs and the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

  (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

  (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

  (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum allotment of ₹ 50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the GCBRLMs and the BRLMs before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) The (i) GCBRLMs and BRLMs (s) or any associate of the GCBRLMs or BRLMs (other than mutual funds sponsored by entities which are associate of the GCBRLMs or BRLMs or insurance companies promoted by entities which are associate of the GCBRLMs or BRLMs or Alternate Investment Funds (AIFs) sponsored by the entities which are associate of the GCBRLMs or BRLMs or FPIs other than Category III sponsored by the entities which are associate of the GCBRLMs or BRLMs) nor (ii) any person related to the Promoter Selling Shareholder or members of the Promoter Group shall not apply under the Anchor Investors category. The parameters for selection of Anchor Investors will be clearly identified by the GCBRLMs and the BRLMs and made available as part of the records of the GCBRLMs and the BRLMs for inspection by SEBI.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see *the* General Information Document.

Payment by Anchor Investors into the Escrow Account

Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) for payment of their Bid Amounts in the Escrow Account in favour of:

(i) In case of resident Anchor Investors: [●]

(ii) In case of non-resident Anchor Investors: [●]

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from Anchor Investors.

Bids by Reliance Capital Shareholders

- Bids under the Reliance Capital Shareholders' Reservation Portion shall be subject to the following:
- Only Reliance Capital Shareholders (i.e. individuals and HUFs who are equity shareholders of Reliance Capital (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) as at the date of the Red Herring Prospectus) would be eligible to apply in this Offer under the Reliance Capital Shareholders' Reservation Portion.
- The sole/ First Bidder shall be a Reliance Capital Shareholder.
- Only those Bids, which are received at or above the Offer Price, would be considered for allocation under this category.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.
- Bids by Reliance Capital Shareholders in Reliance Capital Shareholders' Reservation Portion (subject to the Bid Amount being up to ₹200,000) and in the Net Offer portion shall not be treated as multiple Bids. To clarify, an Reliance Capital Shareholder bidding in the Reliance Capital Shareholders' Reservation Portion above ₹200,000 cannot Bid in the Net Offer as such Bids will be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. For further details, see "*Offer Procedure – Multiple Bids*" on page 394.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Reliance Capital Shareholders to the extent of their demand.
- Under-subscription, if any, in any category including the Reliance Capital Shareholders' Reservation Portion, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the GCBRLMs and the BRLMs and the Designated Stock Exchange.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see "*Offer Procedure*" on page 397.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA Bids.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.

Our Company and the Promoter Selling Shareholder, in consultation with the GCBRLMs and the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney with the Bid cum Application Form, subject to such terms and conditions that our Company and the Promoter Selling Shareholder, in consultation with the GCBRLMs and the BRLMs deem fit, without assigning any reasons therefore.

In accordance with existing regulations, OCBs cannot participate in the Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and Mumbai edition of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra wherein our Registered Office is located), each with wide circulation, respectively. In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Information for Bidders

In addition to the instructions provided to Bidders set forth in the General Information Document, Bidders are requested to note the following additional information in relation to the Offer.

1. The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the Acknowledgement Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ Allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgement Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

2. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Promoter Selling Shareholder and/or the GCBRLMs and the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the Promoter Selling Shareholder, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

3. In the event of an upward revision in the Price Band, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e., the original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

4. In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

5. Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

6. Our Company shall allot securities offered to the public within the period prescribed by SEBI. Our Company further agrees that it shall pay interest at the rate of 15% per annum if the allotment letters or refund orders/ unblocking instructions have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within six days from the date of the closure of the Offer

7. Our Company shall allot securities offered to the public shall be made within the period prescribed by SEBI. Our Company shall also pay interest at the rate of 15% per annum if the allotment letters or refund orders have not been despatched to the Bidders or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the Offer. However, applications received after the closure of Offer in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

Signing of the Underwriting Agreement and the RoC Filing

Our Company and the Promoter Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

GENERAL INSTRUCTIONS

In addition to the general instructions provided in the General Information Document, Bidders are requested to note the additional instructions provided below.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID and UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time.
6. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form (for all Bidders other than RIIs bidding using the UPI mechanism);
7. RIIs bidding in the issue to ensure that they shall use only their own ASBA bank account or only their own bank account linked UPI ID to make an application and not ASBA bank account or bank account linked UPI ID of any third party;
8. RIIs bidding using the UPI mechanism should ensure that the correct UPI ID is mentioned in the Bid cum Application Form;
9. RIIs bidding shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
11. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
12. Ensure that you request for and receive a stamped Acknowledgement Slip of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary as proof of registration of the Bid cum Application Form;
13. Ensure that you have funds equal to the Bid Amount in the ASBA Account with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
14. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process until six Working Days from the Bid/ Offer Closing Date, or within such other period as may be prescribed;
15. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised Acknowledgement Slip;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
17. Ensure that the Demographic Details are updated, true and correct in all respects;

18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
19. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
20. Ensure that you tick the correct investor category and the investor status, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
21. Ensure that for Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. Ensure that the DP ID, the Client ID, the PAN and UPI ID mentioned in the Bid cum Application Form and entered into the electronic system of the Stock Exchanges by the relevant Designated Intermediary match with the DP ID, Client ID, the PAN and UPI ID available in the Depository database;
24. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
25. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).
26. For RIIs bidding using the UPI mechanism, ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
27. RIIs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
28. RIIs bidding using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form;
29. RIIs bidding using the UPI mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of allotment in a timely manner;
30. In relation to the ASBA Bids, ensure that you have correctly signed the authorisation/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form;
31. In terms of the Listed Insurance Companies Guidelines, Bidders submitting a Bid for Equity Shares representing one percent or more and less than five percent of the post-Offer paid up equity capital of our Company should satisfy the ‘fit and proper’ criteria set out by our Company, through a self certification process. For details of the ‘fit and proper’ criteria set out by our Company, see “*Offer Procedure - Restrictions on shareholding in insurance companies - Manner of submission of ‘self certification’ and prior approval of IRDAI*” on page 398;
32. Bidders in Reliance Capital Shareholders’ Reservation Portion should ensure that they have a valid PAN and their PAN is updated with the register of shareholders maintained with Reliance Capital;
33. In terms of the Listed Insurance Companies Guidelines, Bidders should note that in the event the acquisition of Equity Shares results in the Bidder holding five percent or more of the post-Offer paid up equity capital of our Company, the approval of the IRDAI in this regard will need to be provided by such Bidder in the manner and within the timeline laid-out in “*Offer Procedure - Restrictions on shareholding in insurance companies - Manner of submission of ‘self certification’ and prior approval of IRDAI*” on page 398.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid or revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount by cheques and demand drafts or in cash, by money order or by postal order or by stockinvest;
5. Do not send ASBA Forms by post. Instead submit the same to only a Designated Intermediary;
6. Do not Bid on a physical ASBA Form that does not have the stamp of a Designated Intermediary;
7. Anchor Investors should not Bid through the ASBA process;
8. Do not Bid at Cut-off Price (for Bids by QIBs, Non-Institutional Bidders and Reliance Capital Shareholders Bidding in the Reliance Capital Shareholders' Reservation Portion);
9. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
11. Do not submit the GIR number instead of the PAN;
12. Do not submit the Bids without instructions to block funds equivalent to the Bid Amount in the ASBA Account;
13. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
14. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
16. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
17. Do not submit incorrect UPI ID details if you are a RII bidding through the UPI mechanism;
18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
19. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIIs bidding through the Designated Intermediaries using the UPI mechanism;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder;
21. Do not submit more than one ASBA Forms per ASBA Account;
22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RII Bidder using the UPI mechanism;
23. Do not submit a Bid cum Application Form with third party UPI ID (in case of in case of Bids submitted by RII Bidder using the UPI mechanism);
24. Do not submit ASBA Bids to a Designated Intermediary at a location other than the Bidding Centres;
25. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

In addition to the instructions for completing the Bid cum Application Form provided in the General Information Document, Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).

2. ASBA Bids must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK

LETTERS in ENGLISH and in accordance with the instructions contained in the Red Herring Prospectus and in the ASBA Form.

3. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FPIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Designated Date and Allotment

(a) Our Company will ensure that the Allotment and credit to the successful Bidder's depositary account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Bid/Offer Closing Date or such other period as may be prescribed.

(b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

(c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without payment of the entire Bid Amount;

2. Bids submitted by Bidders which do not contain details of the Bid Amount and the bank account or UPI details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids by HUFs not mentioned correctly as given in the sub-section titled " – *Who can Bid?*" on page 400;

5. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

6. Bids submitted without the signature of the First Bidder or sole Bidder;

7. With respect to ASBA Bids, the ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

8. Submission of Bid Cum Application Form using third party bank account linked UPI ID or third party ASBA Account

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

10. GIR number furnished instead of PAN;

11. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

13. Bids by Bidders accompanied by cheques or demand drafts;

14. Bids accompanied by stockinvest, money order, postal order or cash;

15. Bids by persons in the United States other than 'qualified institutional buyers' (as defined in Rule 144A of the Securities Act); and

16. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Offer Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated March 19, 2001 among NSDL, our Company and the Registrar to the Offer.
- Agreement dated September 8, 2017, among CDSL, our Company and Registrar to the Offer.

The above information is given for the benefit of Bidders. Our Company and the Promoter Selling Shareholder, our Directors, the officers of our Company and the Members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That if our Company and/or the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- That if our Company and/or the Promoter Selling Shareholder withdraw the entire or portion of the Offer after the Bid/Offer Closing Date, our Company shall be required to file an updated offer document or a fresh offer document with the RoC/ SEBI, as the case may be, in the event our Company or the Promoter Selling Shareholder subsequently decides to proceed with the Offer;

- That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed;

- if Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders as per applicable laws;

- That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;

- That the intimation of the credit of securities or refund orders to Eligible NRIs shall be despatched within specified time;

- That details of all monies utilised out of the Fresh Issue shall be disclosed under an appropriate separate head in the balance sheet indicating the purpose for which monies have been utilised. Further, details of all unutilised monies out of the Fresh Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet, indicating the form in which such amounts have been invested.

- That Except for the allotment of Equity Shares pursuant to the (i) Fresh Issue, and (ii) exercise of outstanding options granted pursuant to the RGICL ESOP 2017 (if any), there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc, as the case may be.; and

- That we shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

UNDERTAKINGS BY THE PROMOTER SELLING SHAREHOLDER

The Promoter Selling Shareholder confirms and undertakes the following:

- That it is the legal and beneficial owners of the Offered Shares;

- That the Offered Shares (a) have been held by it for a minimum period in compliance with in Regulation 8 of the SEBI ICDR Regulations; and (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialised form at the time of transfer;

- That it shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained;

- That it shall provide all reasonable cooperation as requested by our Company in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Offered Shares;

- That it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the GCBRLMs and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by them and being offered pursuant to the Offer;

- They it not further transfer Equity Shares during the period commencing from submission of the Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted and Equity Shares to be Allotted pursuant to the Offer;

- That it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer for Sale are available for transfer in the Offer for Sale, free and clear of any encumbrance, within the timelines specified under applicable law; and

- That it has authorised our Company Secretary and Compliance Officer for the Offer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offered Shares and it shall extend reasonable cooperation to our Company and BRLMs in the regard.

Utilisation of Offer proceeds

Our Company and the Promoter Selling Shareholder specifically confirm and declare that all monies received out of this Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholder in consultation with the GCBRLMs and the BRLMs, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company. the GCBRLMs and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed by the provisions of the FEMA Regulations. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA Regulations. In case of any conflict, the FEMA Regulations prevail. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The consolidated FDI policy circular of 2017, dated August 28, 2017 issued by the DIPP ("**FDI Circular**") consolidates the policy framework which was in force as on August 28, 2017. Further, the FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP. As per the FDI Circular the cap for foreign investment in an insurance company is 49%. Further, the FDI Circular allows foreign investment (including by FPIs) of up to 49% under the automatic route subject to verification by the IRDAI.

Further, the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000, provides for calculation of shareholding of foreign investors in an insurer to be the aggregate of the quantum of paid up equity share capital held by the foreign investors (including foreign venture capital investors) in the insurer and the proportion of the paid up equity share capital held or controlled by such foreign investor(s) either by itself or through its subsidiary companies in the Indian promoter(s) or Indian investor(s) of the insurer, unless the Indian promoter or investor is a banking company other than foreign bank (or a branch of a foreign bank functioning in India) or a public financial institution.

Additionally, the Foreign Investment Rules also permit total foreign investment up to 49% of the paid up equity capital of Indian insurance companies, under the automatic route while ensuring that its ownership and control remains at all times in the hands of resident Indian entities as determined by Department of Financial Services, Government of India and the IRDAI.

Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the Government of India or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI and the RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

The above information is given for the benefit of the Bidders. Our Company, the GCBRLMs and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalised/defined terms herein have the same meaning given to them in our Articles. Subject to our Articles, any words or expression defined in the Companies Act, 2013 shall, except so where the subject or context forbids; bear the same meaning in these Articles.

ARTICLE		PARTICULARS	
SHARE CAPITAL AND VARIATION OF RIGHTS			
3.		Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions, either at a premium or at par and at such time as they may from time to time think fit.	Shares under control of Board
4.		Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be. Provided that the option or right to call shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.	Directors may allot shares otherwise than for cash
5.		The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:	Kinds of share capital
	(a)	Equity share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and	
	(b)	Preference share capital	
9.		The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.
11.	(1)	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights
	(2)	To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that necessary quorum shall be at least two persons holding issued shares of the class in question.	Provisions as to general meetings to apply mutatis mutandis to each meeting
12.		The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	Issue of further shares not to affect rights of existing members
13.		Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
14.	(1)	The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to – (a) persons who, at the date of offer, are holders of equity shares of the	Further issue of share capital

ARTICLE		PARTICULARS	
		Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or (b) employees under any scheme of employees' stock option; or (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.	
	(2)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer, private placement or otherwise, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
LEIN			
16.	(1)	The Company shall have a first and paramount lien – (a) on every share/debenture (not being a fully paid-up share/debenture), standing registered in the name of a member/debenture holder for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture provided that with respect to partly paid up shares/debentures, the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares/debentures; and Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.	Company's lien on shares/debentures
	(2)	The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.
	(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.	Waiver of lien in case of registration
17.		The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made – (a) unless a sum in respect of which the lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.	As to enforcing lien by sale
18.	(1)	To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.	Validity of sale
	(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
	(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	Validity of Company's receipt
	(4)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.	Purchaser not affected
19.	(1)	The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.	Application of proceeds of sale
	(2)	The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	Payment of residual money
20.		In exercising its lien, the Company shall be entitled to treat the registered holder	Outsider's lien not to

ARTICLE	PARTICULARS	
	of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.	affect Company's lien
21.	The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to lien to apply *mutatis mutandis* to debentures, etc.
CALLS ON SHARES		
24.	(1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. (2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. (3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances. (4) A call may be revoked or postponed at the discretion of the Board.	Board may make calls Notice of call Board may extend time for payment Revocation or postponement of call
25.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.	Call to take effect from date of resolution
26.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
30.	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Installments on shares to be duly paid
31.	All calls shall be made on a uniform basis on all shares falling under the same class. *Explanation:* Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
32.	There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.	No forfeiture of unclaimed dividends
33.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	Partial payment not to preclude forfeiture
34.	The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.
TRANSFER OF SHARES		
35.	(1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee. (2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	Instrument of transfer to be executed by transferor and transferee
36.	A common form of transfer shall be used. The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013, and statutory modification thereof for the time being shall be duly compiled with in respect of all transfer of shares and registration thereof.	

ARTICLE	PARTICULARS	
	The Board may, subject to the right of appeal conferred by the Act decline to register – (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the Company has a lien.	Board may refuse to register transfer
38.	In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless – (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares.	Board may decline to recognize instrument of transfer
39.	On giving previous notice in accordance with the Act and Rules made thereunder or other provisions of law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year, unless permissible under the applicable provisions of law.	Transfer of shares when suspended
40.	The registration of a transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person indebted to the Company on any account in any manner whatsoever except as lien on the shares. The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.
42.	No transfer beyond the limits specified in Section 6A of the Insurance Act 1938 shall be registered without the prior approval of the IRDAI and subject to any directions issued by the IRDAI in this regard.	
TRANSMISSION OF SHARES		
44.	(1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either – (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.	Transmission clause
	(2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
	(3) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency. The Company shall be fully indemnified by such person from all liability, if any, arising out of actions taken by the Board to give effect to such registration or transfer.	Indemnity to the Company
45.	(1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.	Right to election of holder of share
	(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.	Manner of testifying election
	(3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or	Limitations applicable to notice

ARTICLE	PARTICULARS	
	insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	
46.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
47.	The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to transmission to apply mutatis mutandis to debentures, etc.
FORFEITURE OF SHARES		
48.	If a member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or installment not paid notice must be given
49.	The notice aforesaid shall: (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	Form of notice
50.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment of shares to be forfeited
51.	Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.	Receipt of part amount or grant of indulgence not to affect forfeiture
52.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	Entry of forfeiture in register of members
53.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
54.	(1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. (2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Forfeited shares may be sold, etc. Cancellation of forfeiture
55.	(1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owing at the time of forfeiture Member still liable to

ARTICLE	PARTICULARS		
	(2)	All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.	pay money owing at time of forfeiture and interest
	(3)	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cessation of liability
56.	(1)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
	(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
	(4)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
57.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.		Validity of sales
ALTERATION OF CAPITAL			
62.	Subject to the provisions of the Act, the Company may, by ordinary resolution – (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.		Power to alter share capital
63.	Where shares are converted into stock: (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose; (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock-holder" respectively.		Shares may be converted into stock Right of stockholders
64.	The Company may, by resolution as prescribed by the Act, reduce in any manner		Reduction of capital

ARTICLE	PARTICULARS	
	and in accordance with the provisions of the Act and the Rules, — (a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital.	
JOINT HOLDERS		
65.	(a) Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:	Joint-holders
	(b) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.	Liability of Joint holders
	(c) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	Death of one or more joint-holders
	(d) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.	Receipt of one sufficient
	(e) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed to be service on all the joint-holders.	Delivery of certificate and giving of notice to first named holder
	(f) i. Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.	Vote of joint holders
	ii. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.	Executors or administrators as joint holders
	The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.	Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc.
CAPITALISATION OF PROFITS		
66.	(1) The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve — (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	Capitalisation
	(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards: (a) paying up any amounts for the time being unpaid on any shares held by such members respectively; (b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).	Sum how applied
	(3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this	

ARTICLE	PARTICULARS		
		Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;	
	(4)	The Board shall give effect to the resolution passed by the Company in pursuance of this Article.	
BUY-BACK OF SHARES			
68.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.		Buy-back of shares
GENERAL MEETINGS			
69.	All general meetings other than annual general meeting shall be called extraordinary general meeting.		
70.	The Board may, whenever it thinks fit, call an extraordinary general meeting.		
PROCEEDINGS AT GENERAL MEETINGS			
71.	(1)	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.	Presence of quorum
	(2)	No business shall be discussed or transacted at any general meeting except election of Chairman whilst the chair is vacant.	Business confined to election of chairman whilst chair vacant
	(3)	The quorum for a general meeting shall be as provided in the Act.	Quorum for general meeting
72.	The Chairman of the Board shall preside as the Chairman at every general meeting of the Company. In absence of the Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the Vice-Chairman of the Board, shall preside as Chairman of the meeting.		Chairman of the General meetings
73.	If there is no Chairman or Vice Chairman, or none of them are present within fifteen minutes after the time appointed for holding the meeting, or are unwilling to act as Chairman of the meeting, the directors present shall elect one of their members to be the Chairman of the meeting.		Directors to elect a Chairman
74.	If at any meeting no Director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.		Members to elect a Chairman
75.	(1)	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairman shall have a second or casting vote.	Casting vote of Chairman at general meeting
	(2)	The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.	Chairman to judge validity of votes
	(3)	The Members shall exercise their voting rights to ensure that the Act and/or these Articles are implemented and acted upon by the Members, and by the Company and to prevent the taking of any action by the Company or by any Member, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.	Exercise of Voting Rights by Members
77.	(1)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.	Inspection of minute books of general meeting
	(2)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above.	Members may obtain copy of minutes
ADJOURNEMENT OF MEETING			
79.	(1)	The Chairman may, suo motu, adjourn the meeting from time to time and from place to place.	Chairman may adjourn the meeting

ARTICLE	PARTICULARS		
	(2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Business at adjourned meeting
	(3)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.	Notice of adjourned meeting
	(4)	Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Notice of adjourned meeting not required
VOTING RIGHTS			
80.	Subject to any rights or restrictions for the time being attached to any class or classes of shares - (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.		
81.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.		Voting through electronic means
82.	(1) (2)	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Vote of joint holders Seniority of names
83.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.		How members *non compos mentis* and minor may vote
84.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.		Votes in respect of shares of deceased or insolvent members, etc.
85.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.		Business may proceed pending poll
86.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.		Restriction on voting rights
87.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.		Restriction on exercise of voting rights in other cases to be void
88.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.		Equal rights of members
PROXY			
89.	(1) (2)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.	Member may vote in person or otherwise Proxies when to be deposited
BOARD OF DIRECTORS			
92.	Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).		
93.	The Board shall have power to determine the directors whose period of office is		Director not liable to

ARTICLE		PARTICULARS	
		or is not liable to determination by retirement of directors by rotation.	retire by rotation
94.	(1)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of directors
	(2)	The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by a resolution passed by the Members.	Remuneration to require members' consent
	(3)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company.	Travelling and other expenses
96.	(1)	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
	(2)	Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Duration of office of additional director
97.	(1)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
	(2)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	
	(3)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
	(4)	If it is provided by a Trust Deed or any other document, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/ Lender or Persons/ Lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/ Lender or Persons/ Lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/ Lender or Persons/ Lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place.	Debenture Directors
	(5)	Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the lending financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re-appoint any Director so appointed. A Director appointed under this Article is herein referred as "Nominee Director" and the term "Nominee Director" means any director for time being in office under this Article. The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.	Nominee Director

ARTICLE	PARTICULARS		
98.	(1)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
	(2)	The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
POWERS OF THE BOARD			
99.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.		General powers of the Company vested in Board
100.	All the Directors shall exercise their voting rights to ensure that these Articles are implemented and acted upon by them to prevent the taking of any action by the Company or by any Member, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.		Exercise of voting rights by directors
PROCEEDINGS OF THE BOARD			
101.	(1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	When meeting to be convened
	(2)	The Chairman or any one Director with the previous consent of the Chairman may, or the Company Secretary on the direction of the Chairman shall, at any time, summon a meeting of the Board.	Who may summon board meeting
	(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board Meetings
	(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at board meetings
102.	(1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
	(2)	In case of an equality of votes, the Chairman of the Board if any shall have a second or casting vote.	Casting vote of Chairman at Board meeting
108.	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.		Passing of resolution by circulation
CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER			
109.	(a) Subject to the provisions of the Act, - A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.		Chief Executive Officer, etc.
	(b) The same individual, at the same time, may be appointed as a director as well as the chief executive officer, manager, company secretary, chief financial officer or as any other key managerial person (KMP) of the company.		Director may be KMP, etc.
REGISTERS			
110.	The Company shall keep and maintain at its registered office or at such other place as may be decided by the Board, all statutory registers namely, register of		Statutory registers

<table>
<tr><th>ARTICLE</th><th colspan="2">PARTICULARS</th><th></th></tr>
<tr><td></td><td colspan="2">charges, register of members, annual return, register of debenture holders, register of any other security holders, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules, as well as the register and index of beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any country outside India a branch register of beneficial owners residing outside India. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.</td><td></td></tr>
<tr><td colspan="4">DIVIDENDS AND RESERVE</td></tr>
<tr><td>113.</td><td colspan="2">The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.</td><td>Company in general meeting may declare dividends</td></tr>
<tr><td>114.</td><td colspan="2">Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.</td><td>Interim dividends</td></tr>
<tr><td rowspan="2">115.</td><td>(1)</td><td>The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</td><td>Dividends only to be paid out of profits</td></tr>
<tr><td>(2)</td><td>The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</td><td>Carry forward of profits</td></tr>
<tr><td rowspan="3">116.</td><td>(1)</td><td>Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</td><td>Division of profits</td></tr>
<tr><td>(2)</td><td>No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.</td><td>Payments in advance</td></tr>
<tr><td>(3)</td><td>All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</td><td>Dividends to be apportioned</td></tr>
<tr><td colspan="4">ACCOUNTS</td></tr>
<tr><td rowspan="2">122.</td><td>(1)</td><td>The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.</td><td>Inspection by Directors</td></tr>
<tr><td>(2)</td><td>No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.</td><td>Restriction on inspection by members</td></tr>
<tr><td colspan="4">WINDING UP</td></tr>
<tr><td>123.</td><td colspan="2">Subject to the applicable provisions of the Act and the Rules made thereunder –

(a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the</td><td>Winding up of Company</td></tr>
</table>

ARTICLE	PARTICULARS	
	same kind or not. (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
INDEMNITY AND INSURANCE		
124.	(a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, chief executive officer, chief financial officer, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, chief executive officer, chief financial officer, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	Directors and officers right to indemnity
	(b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favor or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.	Insurance
	(c) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	
GENERAL POWER		
125.	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.	

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, and the Prospectus, as applicable, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, except for such contracts and documents that will be executed subsequent to the completion of the Bid/Offer Closing Date.

Material Contracts to the Offer

1. Offer Agreement among our Company, the Promoter Selling Shareholder and the GCBRLMs and the BRLMs dated February 8, 2019.

2. Registrar Agreement among our Company, the Promoter Selling Shareholder and Registrar to the Offer dated February 8, 2019.

3. Escrow and Sponsor Bank Agreement dated [●] among our Company, the Promoter Selling Shareholder, the GCBRLMs and the BRLMs, the Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s), the Sponsor Bank and the Registrar to the Offer.

4. Share Escrow Agreement dated [●] between the Company, the Promoter Selling Shareholder and the Share Escrow Agent.

5. Syndicate Agreement dated [●] among our Company, the Promoter Selling Shareholder, the GCBRLMs and the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●] among our Company, the Promoter Selling Shareholder, the Underwriters.

7. Agreement dated March 19, 2001 among NSDL, our Company and the Registrar to the Offer.

8. Agreement dated September 8, 2017 among CDSL, our Company and the Registrar to the Offer.

Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Our certificate of incorporation dated August 17, 2000 and certificate of incorporation dated October 12, 2000 consequent to change of our name.

3. Certificate for commencement of business dated November 17, 2000, issued to our Company.

4. Approval from IRDAI dated October 23, 2000 to carry on the business of general insurance.

5. Resolutions of the Board of Directors dated September 8, 2017, January 12, 2018 and January 11, 2019, authorising the Offer.

6. Resolution of the Shareholders dated September 11, 2017, January 11, 2018 and January 30, 2019, under section 62(1)(c) of the Companies Act, 2013 authorising the Offer.

7. Resolutions of the Board of Directors dated January 30, 2019, taking on record the Offer for Sale and, approving this Draft Red Herring Prospectus, respectively.

8. Resolution of the IPO Committee dated February 8, 2019, approving this Draft Red Herring Prospectus and noting the Fresh Issue size.

9. Resolution of the Board of Directors dated [●], approving the Red Herring Prospectus.

10. Consent letter and authorisation of the board of directors of the Promoter Selling Shareholder for participation in the Offer for Sale, each dated February 8, 2019.

11. Copies of auditor's reports of our Company in respect of our audited financial statements for Fiscal Years 2016, 2017, 2018 and the six month period ended September 30, 2018.

12. Copies of annual reports of our Company for Fiscal Years 2016, 2017 and 2018.

13. Examination reports of our Joint Statutory Auditors dated January 30, 2019 on the Restated Financial Information included in this Draft Red Herring Prospectus.

14. Statement of special tax benefits from Pathak H.D. & Associates, Chartered Accountants, dated February 8, 2019.

15. Industry report titled "Indian General Insurance Industry – Overview" dated January 2019, prepared by ICRA.

16. Written consent of our Joint Statutory Auditors to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in respect of their report dated January 30, 2019, on the Restated Financial Information.

    A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Joint Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Joint Statutory Auditors have given consent to be referred to as experts in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act, 2013. The term experts as used in this Draft Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Joint Statutory Auditors as experts in this Draft Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

17. Written consent of Pathak H.D. & Associates, Chartered Accountants to include their name as required under Section 26(1) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in respect of their report dated February 8, 2019 on the statement of possible special tax benefits available for the Company and its shareholders.

18. Consents of the Bankers to our Company, the GCBRLMs and the BRLMs, Syndicate Members, Registrar to the Offer, Escrow Collection Bank(s), Sponsor Bank, Directors of our Company, Company Secretary and Compliance Officer for the Offer, past statutory auditors during the last three years, Public Offer Account Bank(s), ICRA, legal counsel, Refund Bank(s) as referred to, in their respective capacities.

19. Certificate on Liabilities and Solvency Margin dated February 8, 2019 issued jointly by Pathak H.D. & Associates, Chartered Accountants and Price Waterhouse Chartered Accountants LLP, Chartered Accountants.

20. In-principle listing approvals dated [●] and [●] received from NSE and the BSE, respectively.

21. IRDAI in-principal approval letter for the proposed Offer dated September 4, 2017 and letter dated February 1, 2019 granting extension of the validity of the in-principal approval for the proposed Offer.

22. Due diligence certificate dated February 8, 2019 to SEBI from the GCBRLMs and the BRLMs.

23. SEBI observation letter [●] and our in-seriatim reply to the same dated [●].

24. IRDAI final observation letter dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required in the interest of our Company, or if required by other parties, without notification to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992 and the Insurance Regulatory and Development Authority of India, established under section 3 of the Insurance Regulatory and Development Authority Act, 1999, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, the Insurance Act, 1938 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

Rajendra Prabhakar Chitale ______________________________
(Independent Director)

Haris Ansari ______________________________
(Independent Director)

Chhaya Virani ______________________________
(Independent Director)

Rahul Sarin ______________________________
(Independent Director)

Dr. Thomas Mathew ______________________________
(*Independent Director*)

Jai Anmol Ambani ______________________________
(Non-executive Director)

Rakesh Jain ______________________________
(Executive Director and CEO)

Place: Mumbai
Date: February 8, 2019

SIGNED BY CHIEF FINANCIAL OFFICER

Hemant Kumar Jain
Chief Financial Officer

Place: Mumbai
Date: February 8, 2019

DECLARATION BY RELIANCE CAPITAL, AS A PROMOTER SELLING SHAREHOLDER

Reliance Capital confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself, as a Promoter Selling Shareholder, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct.

SIGNED FOR AND ON BEHALF OF RELIANCE CAPITAL

Name: Atul Tandon
Designation: Company Secretary & Compliance Officer

Date: February 8, 2019