

ACCELERATED GROWTH



Processes
Partnerships
Profitability

CORPORATE INFORMATION

Board of Directors

Shri Rajnish Kumar	Director
Shri PK Gupta	Director
Shri Dinesh Kumar Khara	Director
Shri Duncan Victor Brain	Director
Shri Alp Altun	Director
Shri A. P. Pradhan	Director
Shri M. K. Garg	Director
Shri D. Sundaram	Director
Smt. Smeeta Bhatkal	Director
Shri Pushan Mahapatra	Managing Director & CEO

Management Team

Ms. Lisa Jeffery	Deputy CEO
Shri Rikhil K. Shah	Chief Financial Officer
Shri Mahendra Tripathi	Head- Compliance, Legal & Company Secretary

Auditors

M/s SARC & Associates
M/s J. Singh & Associates, Mumbai

Corporate & Registered Office

‘Natraj’, 101, 201 & 301,
Junction of Western Express Highway & Andheri- Kurla Road,
Andheri (East)
Mumbai 400 069
Fax: +91 22 42412070
Phone: + 91 22 42412071

Bankers

State Bank of India
HDFC Bank Ltd.
Standard Chartered Bank

CIN: U66000MH2009PLC190546

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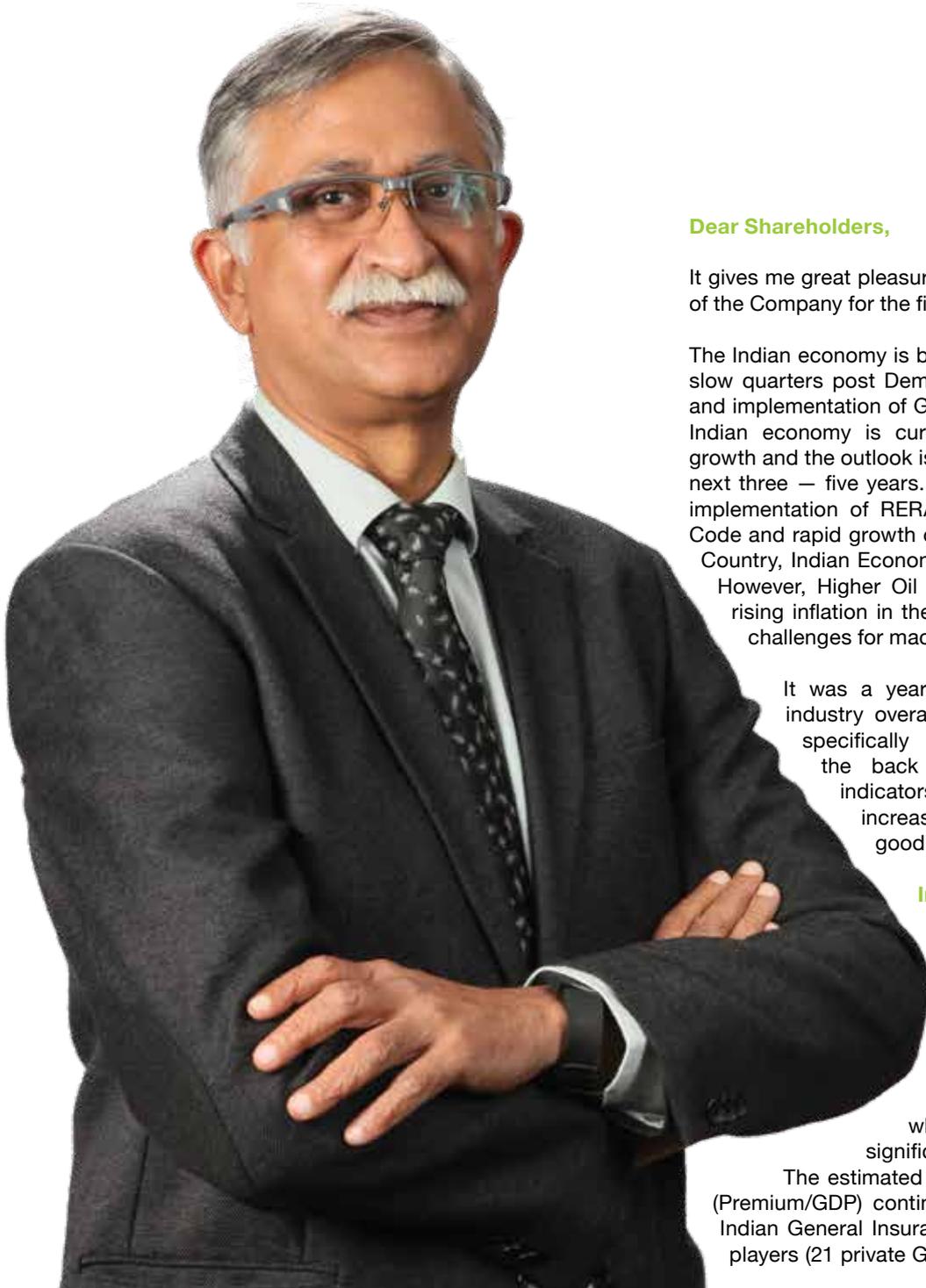
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Dear Shareholders,

It gives me great pleasure to present the Annual Report of the Company for the financial year 2017-18.

The Indian economy is back on growth path after a few slow quarters post Demonetisation of Indian Currency and implementation of Goods and Service Tax reforms. Indian economy is currently clocking 6.5% ~ 7.5% growth and the outlook is that this pace will continue for next three – five years. With policy measures such as implementation of RERA, Insolvency and Bankruptcy Code and rapid growth of infrastructure throughout the Country, Indian Economy is expected to grow rapidly. However, Higher Oil Prices, Global Trade War and rising inflation in the domestic markets will be key challenges for macro growth impetus.

It was a year when the general insurance industry overall, and SBI General Insurance specifically recorded good growth on the back of positive macroeconomic indicators, and our concerted efforts to increase product penetration yielded good results.

Industry Overview

The General Insurance industry premium in FY 2017-18 grew from ₹1,28,213 Crores in FY 2016-17 to ₹1,50,708 Crores, a growth of 17.54%.

The Industry growth rate has stabilized after the aggressive growth observed last year, which was primarily due to the significant growth in Crop Insurance.

The estimated General Insurance Penetration (Premium/GDP) continues to be low at 0.84%. The Indian General Insurance Industry constitutes of 33 players (21 private General Insurers, 4 PSU General

from the desk of
THE MANAGING DIRECTOR


 We will aim to strike a balance between caution and a growth-focus. As part of our growth strategy we are building a risk culture where every decision made in the organization is validated with a risk management perspective
 

Insurers, 6 Standalone Health Insurers, and 2 Specialized Insurers) as of 31st March 2018.

The year saw the public issues of the largest general insurers in the public and private sectors, and the largest domestic reinsurer, providing the public an opportunity to participate in the Indian general insurance sector. Three new private insurers commenced operations during the year. Further, IRDAI issued regulations enabling auto dealers to solicit and service motor insurance. In addition, IRDAI also issued guidelines enabling Private Equity funds to promote Indian insurers, provided they satisfy prescribed fit and proper criteria. All these developments are expected to improve access to capital to insurers and deepen the distribution reach, thereby facilitating an improvement in insurance coverage and penetration in the Indian general insurance market.

Another significant initiative for the sector is the government's flagship programme, "Ayushman Bharat" i.e a National Health Protection Scheme, which will cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto 5 lakh rupees per family per year for secondary and tertiary care hospitalization. This scheme was announced in the Union Budget 2018 and was approved by the cabinet.

Company Performance

I am happy to report that in FY 2017-18, SBI General GDPI (Gross Direct Premium Income) increased from ₹2,604 Crores during the FY 2016-17 to ₹3,544 Crores, a growth of 36% compared to the industry growth of 17.5% (including Crop Insurance business). The growth for SBI General for FY 2017-18 excluding Crop Insurance was 24% as against industry growth of 17%.

In terms of market ranking in the Industry, SBI General stands at 9th position among private insurers (including standalone health insurers) and at 14th position in the industry in FY 2017-18. SBI General's market share among Private Insurers in FY 2017-18 was at 5.4% against 4.8% in FY 2016-17. In the GI Industry, your company's market share was 2.4% as compared to 2% last year. The Company registered a growth of 175.8% in its profit before tax from ₹153 crore during FY17 to ₹422 crore during FY18.

This was made possible due to us being able to

optimally leverage all our distribution channels such as bancassurance, broking, corporate agency, direct and auto dealers, alongwith our existing third-party agency and in-house salaried sales force. The simplicity of our offerings, and our endeavour to ensure that our customers understand our products, claims processes, deductibles, exclusions, etc. has also played a big role.

During the year, your Company maintained its credit rating of "iAAA" awarded by ICRA for claims paying ability by the Company. This indicates that the Company has highest claims paying ability, has a fundamentally strong position and prospect of meeting policyholders' obligations is the best.

The Company continues to operate on its value principles of 'Trust, Transparency, Teamwork, High Performance and Learning' and continues to undertake various technology-driven initiatives to deliver superior customer experience and operational efficiency.

Risk Management

We have also been one of the few players and among the quickest in the industry to achieve underwriting profits indicating that we have a thorough understanding of the fundamentals of the business as well as market conditions. This is the result of a well-thought out strategy, a balanced product mix and a multi-distribution channel strategy.

However, even as we manage risk prudently, we will aim to strike a balance between caution and a growth-focus. As part of our growth strategy we are building a risk culture where every decision made in the organization is validated with a risk management perspective.

We remain committed to delivering sustainable growth and are undertaking a number of initiatives for a consistent performance over the next few years.

On behalf of all my colleagues, I would like to thank you for your support and assure you of our commitment to delivering value in the coming years as well.

Best Regards,

Pushan Mahapatra

Managing Director & Chief Executive Officer

WELCOME TO SBI GENERAL



Launched in 2010, SBI General Insurance Company Ltd. is a joint venture between State Bank of India and Insurance Australia Group (IAG).

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We are proud of our State Bank's legacy and the dynamism of Insurance Australia Group. Our aim is to be the insurer to every Indian.

MARQUEE PARENTAGE



State Bank of India is country's largest & a premier commercial Bank in terms of balance sheet, profits, assets, deposits, branches and employees. The SBI Group is amongst the world's largest banks, with a treasury pool about ₹9,01,642 crore, with over 22,000 branches and 59,000+ ATMs. A multi-faceted institution covering all areas of banking and Finance.



Insurance Australia Group (IAG) is a general insurance group with operations in Australia, New Zealand and Asia. IAG's businesses underwrite over A\$11 billion (₹55,000 crore) of premium per annum and employ over 15,000 people. IAG operates some of Australia's leading general insurance brands including NRMA Insurance, CGU, SGIO, SGIC and Swann Insurance, WFI and Lumley Insurance. They also have a significant presence in Asia, spread across Singapore, Vietnam, Indonesia, Thailand, and Malaysia.



Mission

To be the most trusted general insurer in India with fair and transparent business practices, leading the nation's effort in increasing insurance penetration.

Values

Trust creates an environment in which we all feel authentic, passionate, committed, willing to share all we have to offer and live up to our legacy

Learning is more than acquiring knowledge, it is about acquiring understanding, challenging status quo and inspiring change

High Performance is creating an environment that encourage and nurture high performance

where individual and teams can raise to their highest potential.

Teamwork is the fuel that allows common people to achieve uncommon results. Together everyone achieves more

Transparency across all customer interactions allows us to be fair and transparent which inspire and motivate our customers and make them feel fully in control

OUR CHANNEL STRENGTH

We help make insurance easily available to every Indian, even in the remotest parts of the country.



21,000+
IRDAI certified employees



8,000+
Agents



22,000+
SBI Bank Branches

ON THE GROWTH PATH

Performance Highlights FY'18

We are in the 9th year of operation and are growing at an incredible pace. At SBI General we are all working together to make this organisation better, stronger, faster and more responsive. We are proud

to announce that we are among the few general insurers in India to turn profitable in less than 8 years of operations. Here are some key highlights of the last financial year portraying the pace of growth year on year.

Top Line Growth

GWP growth 36%	Market Share 2.35%	Market Rank 14
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Financial Highlights

Profit before tax 422 crore	Investment Income 390 crore	Combined Ratio* 98%
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*Combined Ratio = (Net Incurred Claims + Net Commission + Opex)/Net earned premium

Balance Sheet

Assets under Management 5,292 crore	Return on Equity 26.5%	Solvency Ratio 2.54
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Position in the industry

9 th position among private players	14 th in overall industry ranking	7 th position in "Fire" and 4 th position in "Personal Accident"
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Company Performance
₹ **422** cr
2017-18 PROFIT

Growth Trajectory

Recorded growth of 36%
as against 18% industry growth, among the private players. Showed balanced growth in all lines of business vis-à-vis industry and top private Insurers

Rural Performance

Keeping the crop business separate, the Industry showed a growth of **17%** whereas SBIG exhibited a growth of **24% YOY.**

Company Performance

₹ 3,553 cr Company GWP	36% Company GWP growth	1,61,749 Claims Settled	₹ 981.34 cr Value of Claims
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FOCUS ON BHARAT





With its network reaching into the farthest corners of the country and a range of simplified, affordable products, SBI General is uniquely positioned to bridge the gap between India and Bharat.



Insurance penetration in India is extremely low. The two primary reasons for this situation are lack of awareness and understanding of the products offered, and the other is the lack of access.

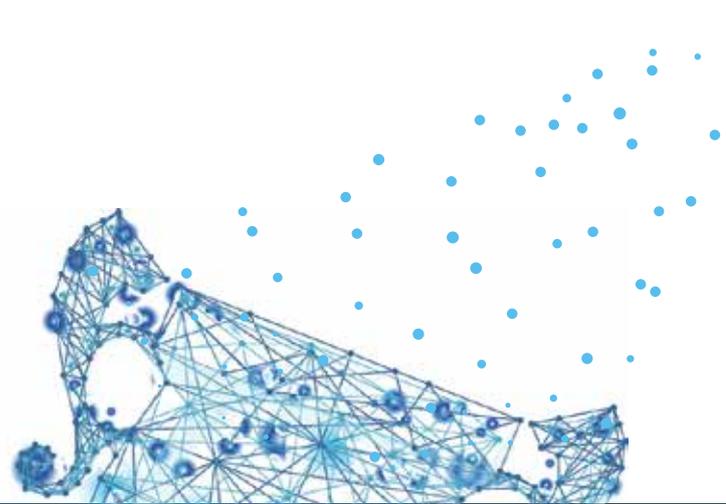
SBI General is uniquely positioned to bridge this gap. It has an unparalleled network through its access to the branches of State Bank of India and its associate banks across the country including the North East, especially in smaller cities and towns, beyond the metros.

Apart from providing physical access, SBIGI endeavours to offer products that are simple and easy to understand as well as affordable. For example, we offer simple, uncomplicated health insurance for a ₹1,300 premium or a Personal Accident Insurance with no medical tests available to all strata of the society for ₹100. SBI General is committed to making insurance available to the people who most need a safety net at an affordable premium, and remains dedicated to the national mission of increasing insurance penetration in the country.

PRODUCT SUITE

Retail	<p>Motor Insurance</p> <ul style="list-style-type: none"> • Private Car Insurance Policy-Package • Two Wheeler Insurance Policy - Package <p>Home Insurance</p> <ul style="list-style-type: none"> • Long Term Home Insurance Policy • Simple Home Insurance <p>Travel Insurance</p> <ul style="list-style-type: none"> • Travel Insurance (Business & Holiday) 	<p>Personal Accident Insurance</p> <ul style="list-style-type: none"> • Individual Personal Accident Insurance Policy • Health Insurance • Health Insurance Policy – Retail • Critical Illness Insurance Policy • Hospital Daily Cash Insurance Policy • Loan Insurance • Arogya Premier Policy • Arogya Plus Policy • Arogya Top Up Policy • Micro Insurance Policy
	Corporate	<p>Fire Insurance</p> <ul style="list-style-type: none"> • Standard Fire and Special Perils Insurance Policy • Consequential Loss (Fire) Insurance Policy <p>Health Insurance</p> <ul style="list-style-type: none"> • Group Personal Accident • Group Health Insurance <p>Motor Insurance</p> <ul style="list-style-type: none"> • Commercial Vehicle Insurance Policy – Package (goods/passenger/misc.) <p>Marine Insurance</p> <ul style="list-style-type: none"> • Marine Cargo Insurance <p>Package Insurance</p> <ul style="list-style-type: none"> • Industrial All Risks Insurance Policy • Business Package Insurance Policy <p>Miscellaneous</p> <ul style="list-style-type: none"> • Plate Glass Insurance Policy • Burglary Insurance Policy • Money Insurance Policy

AWARDS



2018

- Bronze award for the best e-zine at the 12th Global Communication Conclave organised by Public Relation Council of India.
- Best Content in Email Marketing Campaign for E-Newsletters at the India Content Leadership Awards by Inkspell Media.
- Awarded the ET Best BFSI Brands 2018 Award in the Insurance Category by Economic Times.

Lines Growth Leadership at the India Insurance Awards by Fintelekt.

2015

- 'Marketing Initiative of the Year' at the India Insurance Awards, organized by Fintelekt.

2014

- Runner-up for data quality, Asia Pacific Award for comprehensive Enterprise Data Quality program by International Association for Information and Data Quality (IAIDQ), Australia.

2017

- 'Silver' award for best e-zine at the 57th ABCI Awards, organized by the Association of Business Communicators of India (ABCI).
- Certified as a Great Place to Work by Great Place to Work® Institute, India.
- 'Bancassurance Leader' in General Insurance for medium and small category by Fintelekt Insurance Awards 2017.

2013

- 'Technology Maturity Award' by India Insurance Awards organized by Fintelekt.

2012

- 'Rising Star' Insurer at the 2012 India Insurance Awards organized by Fintelekt
- Awarded the 3rd

2016

- 'ET Best BFSI Brands 2016 Award' in the General Insurance category organized by Economic Times
- 'Best General Insurance company' in the category of Under-Served Market Penetration and Commercial

Annual Data Quality Asia Pacific award in Australia by International Association for Information and Data Quality (IAIDQ).

PRUDENT RISK MANAGEMENT



The objective is to strike the right balance between growth and conservatism by promoting a risk awareness culture that would result in aligning the Company's risk and reward strategy around a robust governance framework

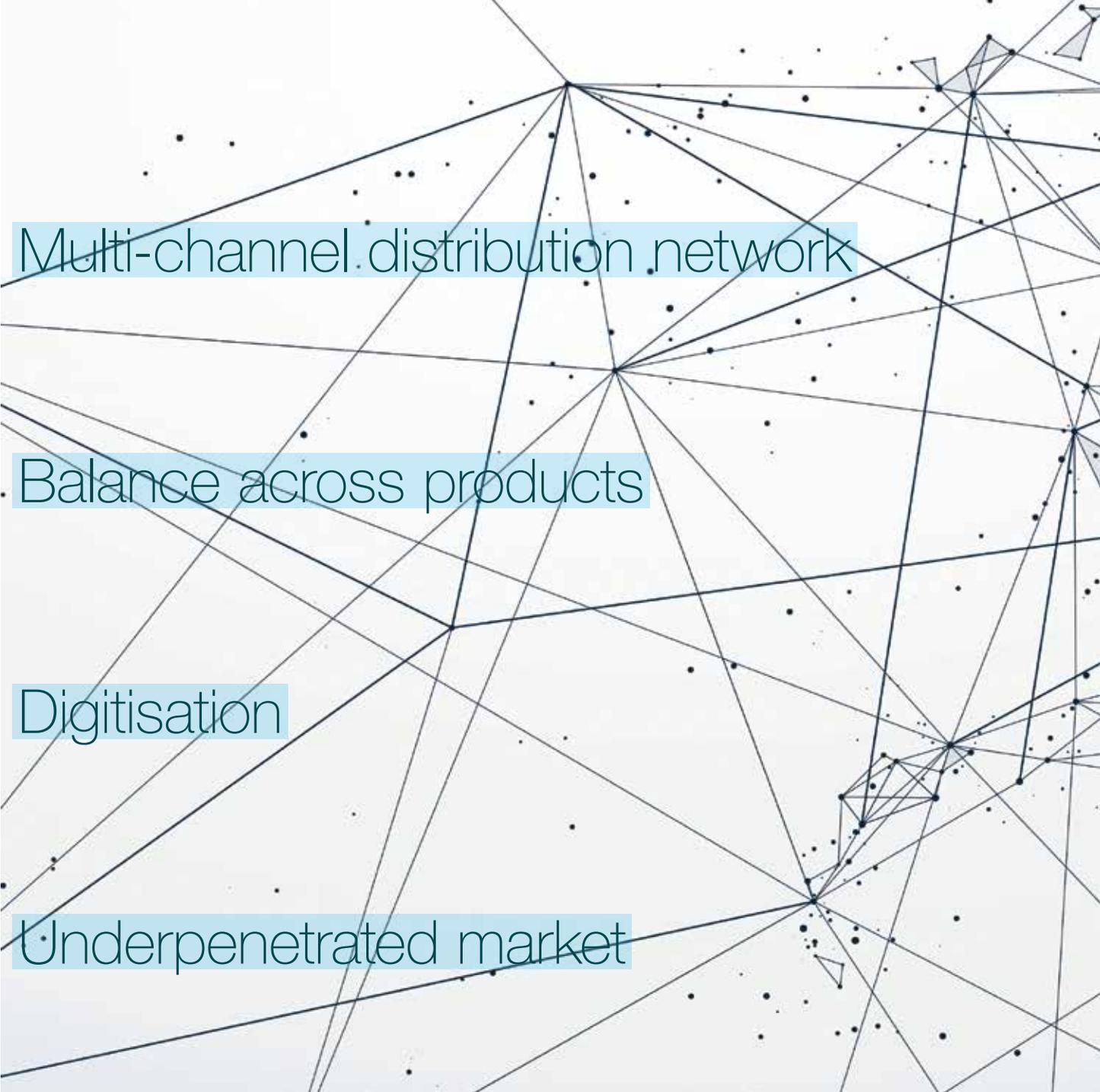
Risk is our raw material; and a business enabler. At SBIG, risk management is central to the sustainability of the Company's business and our decision-making process. We are continually advancing our risk management practices, building a strong foundation of risk & opportunity identification, protection and compliance which focus on different risk factors that impact strategic decision-making, and operational performance.

As we grow big, we are moving toward an insight-driven and performance-oriented approach to risk management, one that creates a culture where everyone factors risk into their decision-making process.

Our approach of focusing on risk-enabled performance management helps us concentrate on overall Enterprise Wide Risk Management with continuous and regular monitoring of risk movements rather than just identifying and managing risks individually in silos.

The overall objective is to strike the right balance between growth and conservatism by promoting a risk awareness culture that would result in aligning the Company's risk and reward strategy around a robust governance framework. The structure would be responsible for the Company achieving sustainable growth through prudent and responsible business practices.

KEY GROWTH DRIVERS

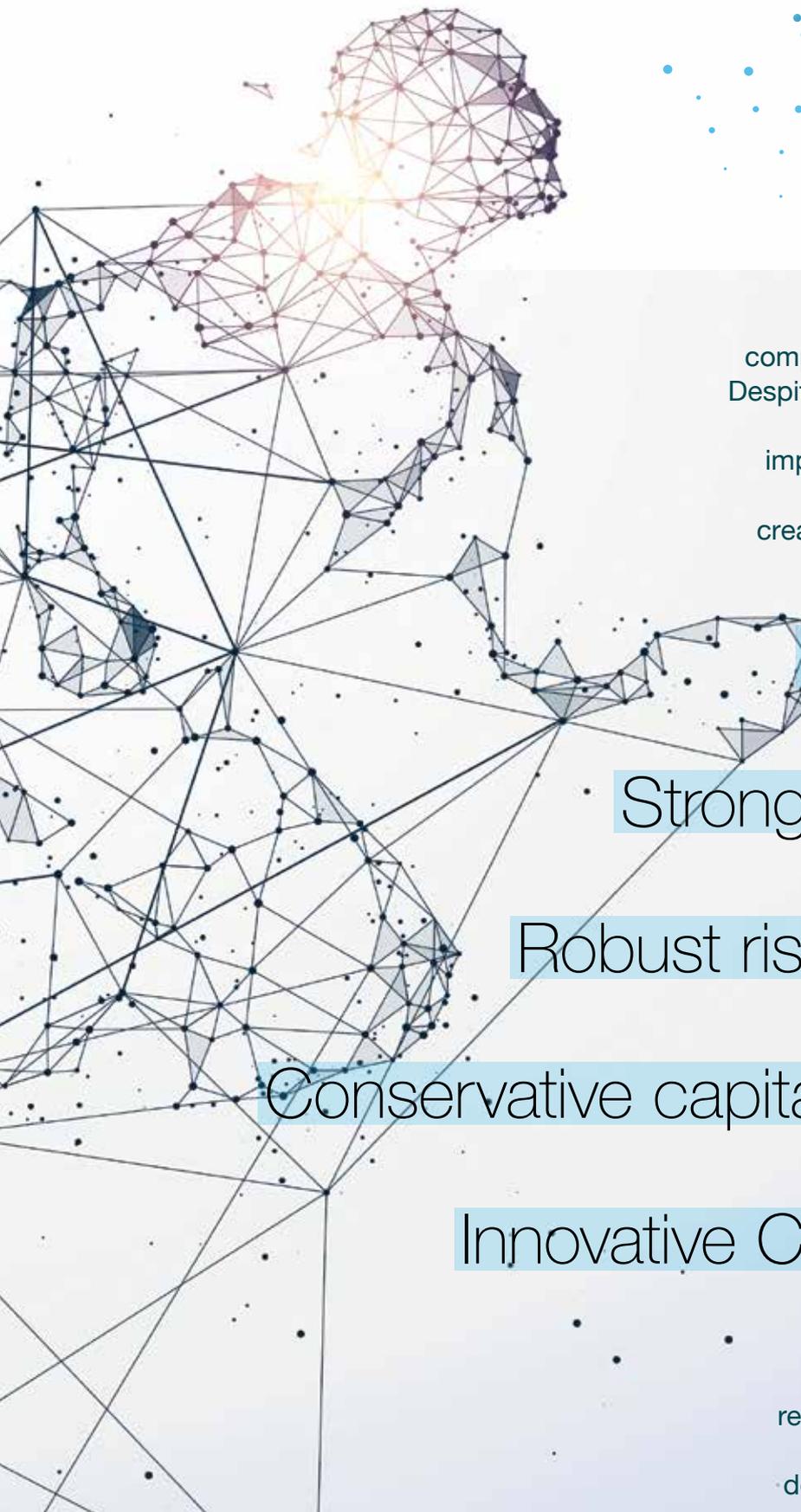


Multi-channel distribution network

Balance across products

Digitisation

Underpenetrated market



BUILDING ON STRENGTHS

We are fortunate to be in a strong competitive position, poised for growth. Despite unpredictable market conditions, our focus and discipline delivered improved underwriting, reduced costs and expanded the premium base, creating immense opportunities for the coming year and beyond.

Reputed brand

Strong balance sheet

Robust risk management

Conservative capital management

Innovative Customer Focus

Our focus is now on using all our skills, knowledge, expertise and resources to ensure that we continue to meet the customers' needs and deliver the best possible experience.

TECHNOLOGY AND PEOPLE



Digitisation improves customer experience by reducing delays in issuance and claim processing. In the long run, digitisation also allows for better cost control and helps increase employee productivity.

Technology underpins business processes, making them simpler, faster, effective and more efficient. At SBIG, technology is not viewed in isolation but how it can help us align with the changing needs of our customers. Our investments in multiple technology projects are aimed with the strategic objectives of simplifying the way we work, even as we improve the delivery of products and services for our customers.

Our digital platform www.sbigeneral.com, for example, enables customers to purchase and renew their policies online. They can intimate a claim or even track the status of the claim online. The claims process is critical for our customers, and our commitment to make this process seamless sets us apart as an insurer, thereby instilling more confidence in our customers and enhancing our reputation.

Similarly, new payment options such as PayTM and SBI Buddy has made it convenient for customers to make their policy purchases online through their mobiles, from anywhere, at any time.

In fact, in today's digital environment providing 24-hour access is no longer a good to have, but a must-have. Hence, we have also built our presence at places that our customers frequent such as internet banking sites, e-commerce portals and kiosks as well, apart from the mobile channel mentioned earlier.

Digitisation improves customer experience through reduced turnaround times in policy issuance and claim processing. In the long run, digitisation also allows for better cost control and helps increase employee productivity thereby making it a win-win for the organisation and our customers alike.

BOARD OF DIRECTORS



Shri Rajnish Kumar
Chairman,
State Bank of India



Shri P.K. Gupta
MD (R&DB),
State Bank of India



Shri Dinesh Kumar Khara
MD (RI&S),
State Bank of India



Shri Duncan Victor Brain
Chief Executive
Officer,
IAG Asia



Shri Alp Altun
Executive General
Manager,
Transformation
at IAG



Shri Ashok Pradhan
Independent
Director



Shri M. K. Garg
Independent
Director



Shri D. Sundaram
Independent
Director



Ms. Smeeta Bhatkal
Independent
Director



Shri Pushan Mahapatra
Managing Director
& Chief Executive
Officer,
SBI General

KEY MANAGEMENT TEAM



Ms. Lisa Jeffery
Deputy CEO



Shri Rikhil K. Shah
Chief Financial
Officer



Shri Mahendra Tripathi
Head-
Compliance,
Legal & Company
Secretary

Director's Report

To the Members,

Your Directors have pleasure in presenting the Ninth Annual Report of SBI General Insurance Company Limited (SBI General/Company) along with the audited financial statements for the year ended 31st March, 2018 (FY 2017-18).

1. General Insurance Industry

The General Insurance industry premium in FY 2017-18 grew from ₹1,28,213 crore in FY 2016-17 to ₹1,50,708 crore, a growth of 17.54%. The Industry growth rate has stabilised after the aggressive growth observed last year, primarily due to the significant growth in Crop Insurance. The estimated General Insurance Penetration (Premium/GDP) continues to be low at 0.84%. The Indian General Insurance Industry now constitutes of 33 players (21 Private General Insurers, 4 PSU General Insurers, 6 Standalone Health Insurers, and 2 Specialised Insurers) as of 31st March, 2018.

In FY 2017-18, SBI General GDPI (Gross Direct Premium Income) increased from ₹2,604 crore during the FY 2016-17 to ₹3,544 crore, a growth of 36% compared to the industry growth of 17.5% including Crop Insurance business. The growth for SBI General for FY 2017-18 excluding Crop Insurance was 24%.

2. Financial Results

Financial Highlights for the FY ended 31st March, 2018 is as under.

Particulars	(₹ in crore)	
	2017-18	2016-17
Profit/(Loss) before Tax & Depreciation	445.90	188.02
Depreciation	(23.51)	(35.36)
Profit/(Loss) before Tax	422.39	152.66
Provision for Taxation	(26.69)	0.00
Profit/(Loss) after Tax	395.70	152.66

Being the 8th full year of operations, the Company harvested sustained initiatives taken over a period of time, control and reduction of cost and better claims management. Besides, the company also embarked on it's effort to monetise implicit reinsurance capabilities, wherein a structural change in reinsurance cessation led

to sizeable inflows in terms of reinsurance commission and reduction of risk.

3. Reserves & Dividend

In view of the accumulated losses set off against the profits made during the year under review, your Board does not propose to carry any amount to any reserves in the Balance Sheet and does not recommend any amount to be paid by way of dividend for the FY ended 31st March, 2018.

4. Risk Management

The Company recognises the criticality of robustness of risk management practices to meet its objectives. The Company is committed to an effective and robust Risk Management Framework, which addresses operational and financial risks. Accordingly, the Company has developed a comprehensive Risk Management Framework to identify, monitor and manage the risks. Risk Management is a concurrent process within the Company. Under the Risk Management Framework, risks associated with the business are identified and prioritised based on impact and likelihood of its occurrence. All key risks are reviewed by the Senior Management on a quarterly basis. Risk owners are identified for each risk for monitoring and reviewing the risk mitigation. The Company has constituted a Risk Management Committee comprising members of the Board of Directors. The Risk Management Committee is responsible for monitoring the Risk Management Framework of the Company and implementation of the Risk Management Strategy.

The Risk Management Committee inter-alia:

- Assists the Board in effective operation of the risk management system by ensuring performance of specialised analysis and quality reviews;
- Advises the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters;
- Reports to the Board, details of the risk exposures and the actions taken to manage the exposures, at its quarterly meetings; and
- Reviews and monitors risks pertaining to the business on a regular basis.

5. Internal Audit

The company has an internal audit system, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is properly defined. Internal Audit assignments are executed based on a risk based audit plan developed annually and approved by the Audit Committee. The audit plan is designed to address the most significant risks identified. The Internal Audit Department monitors and evaluates the design, efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company i.e. head office and branches. The company has a Head Internal Auditor with a dedicated internal audit team based in the head office as well as regions. The company also engages external specialised professional firms to execute internal audits and concurrent audit. Based on the report of internal audit function, process owners undertake corrective as well as preventive action in their respective areas and thereby strengthen the controls. Significant audit observations along with management response thereon are presented to the Audit Committee of the Board on quarterly basis.

6. Management Report

In accordance with the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002, the Management Report is placed separately.

7. Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of this report.

8. Public Deposits

During the year under review, your Company has not accepted any deposits under Section 73 of the Companies Act, 2013 nor within the meaning of the provisions of the Non-Banking Financial Companies (Reserve Bank) Directions 1998, vide notification no.DFC118/DG(SPT).98 dated 31st January,1998.

9. Capital

During the year under review, there has been no change in the Authorised Share Capital of the Company. The issued, subscribed and paid up capital of the Company is ₹215.5 crore.

The net worth of Company increased from ₹1099 crore at 31st March, 2017 to ₹1494 crore at 31st March, 2018. The solvency position of Company at 31st March, 2018 was 2.54 times as against minimum of 1.50 times prescribed by IRDAI.

The Insurance Laws (Amendment) Act, 2015 has permitted, amongst others, foreign equity participation to the extent of 49% in General Insurance Sector in India. M/s IAG International Pty. Ltd. may choose to exercise Dial Up Option in your Company in future.

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

10. Alteration of Articles of Association of the Company

During the year under review, the Shareholders in its meeting held on 7th January, 2018 approved amendment in the Articles of Association of your Company to align them to the duly amended Joint Venture Agreement dated 24th November, 2008, entered into between the Shareholders of the Company and the Company ("Joint Venture Agreement") and in order to make enabling changes in the composition of the Board of Directors in the Articles of Association.

11. Registration

Insurance Regulatory and Development Authority of India (IRDAI) has issued a Circular dated 7th April, 2015 which states that Section 3A of the Insurance Act 1938 has been amended by the passing of the Insurance Laws (Amendment) Act 2015 to remove the process of annual renewal of the Certificate of Registration issued to the Insurers under Section 3 of the Insurance Act, 1938. The Insurers however, continue to pay such annual fees as may be prescribed by the Regulations. Thus w.e.f. 26.12.2014 insurers shall not be issued the

Renewal Certificate of Registration (IRDAI/R6) on an annual basis.

Accordingly the Certificate of Registration of the Insurers renewed in 2014 shall continue to be in force from 1st April, 2015, subject to the provisions of Section 3A read with Section 3 of the Insurance Act, 1938. The requisite renewal fee has been remitted to the IRDAI timely and the registration of the Company is in force.

In view of the same the Company is in compliance with the provisions of Section 3A read with Section 3 of the Insurance Act, 1938.

12. Accolades

Your Company received the following awards during the year:

- i. SBI General's newsletters, 'Network' and 'Connect', received an award for "**Best Content in Email Marketing Campaign** for E-Newsletters" at the **India Content Leadership** Conference and Awards 2018, organised by Inkspell Media.
- ii. SBI General's broker newsletter, Network and agent newsletter, Connect, has won the **Bronze award** for the **best e-zine** at the 12th Global Communication Conclave organised by Public Relations of India (**PRCI**).
- iii. SBI General's Agency Newsletter 'Connect' won the **Silver award** for the best e-zine at the 57th **ABCI Awards** organised by the Association of Business Communicators of India (ABCI)
- iv. SBI General was adjudged as a "**Best ET BFSI Awards 2018**" by Economic Times. The award recognises SBIG for being a symbol of excellence in the General Insurance industry.

13. Credit Rating

During the year, your Company maintained its credit rating of "**iAAA**" awarded by ICRA for claims paying ability by the Company. This indicates that the Company has highest claims paying ability, has a fundamentally strong position and prospect of meeting policyholders obligations is the best.

14. Directors & Key Managerial Personnel

The Board of Directors of SBI General as on 31st March, 2018 consisted of ten Directors, out of which four are Independent Directors, five are Non-Executive Non Independent Directors and one is Executive Director.

During the year under review, Smt. Arundhati

Bhattacharya (Chairman & Nominee of State Bank of India) resigned from Board w.e.f. 9th October, 2017 due to superannuation from SBI.

Shri P.K. Gupta was appointed as Nominee Director of SBI on Board of the Company w.e.f. 22nd March, 2018.

Shri D. Sundaram was re-appointed as an Independent Director of the Company w.e.f. 12th December, 2017 for a term of three years.

Smt. Smeeta Bhatkal was appointed as an Woman Independent Director of the Company w.e.f. 7th January, 2018 for a term of three years.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The Board of Directors of the Company placed on record its sincere appreciation for the invaluable leadership and support provided by Smt. Arundhati Bhattacharya during her tenure as Chairman of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri Alp Altun is liable to retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

A detailed report on composition of the Board and mandatory Board Committees is provided in the Corporate Governance Report forming part of this Report.

As per the requirements of Section 203 of the Companies Act, 2013 and the rules made thereunder the following persons have been appointed as the Key Managerial Personnel's of the Company;

1. Shri Pushan Mahapatra – Managing Director and CEO
2. Shri Mahendra Kumar Tripathi – Head-Compliance, Legal & CS
3. Shri Rikhil K. Shah – Chief Financial Officer

15. Annual evaluation of Directors, Committee and Board

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

The evaluation is done on the basis of points mentioned in the evaluation sheets sent to Board, Independent Directors, Committee Members. The evaluations were done through circulation of four questionnaires, one Self Assessment Sheet (Director Survey form) sent to all the Directors, Performance Evaluation Sheets for evaluation of Chairman and Board as a whole sent to Independent Directors, Performance Evaluation Sheets for evaluation of each Independent Director sent to Board and assessment sheets of the Board Committees sent to all the members of the Committee for comments.

Pursuant to the provisions of the Companies Act, 2013 and guidelines for insurance companies issued by Insurance Regulatory and Development Authority of India (IRDAI), the Board of Directors on the recommendation of the Board Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and Committees was carried out. The evaluation was based on various aspects like level of participation in the Board meetings, expression of views and opinions on critical issues etc. A consolidated summary of the ratings as provided by the Directors was prepared by the Company Secretary. The Nomination and Remuneration Committee has further carried out evaluation of all Directors including Independent Directors. The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and the Board in their respective meetings.

16. Disclosures related to Board and Board Committees

The Board of Directors met Eleven times during the financial year ended 31st March, 2018 in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder.

The dates on which the Board of Directors met during the financial year under review are as under:

53 rd BM : 10 th April, 2017	59 th BM :16 th October, 2017
54 th BM : 2 nd May, 2017	60 th BM: 7 th January, 2018
55 th BM : 8 th June, 2017	61 st BM: 16 th January, 2018
56 th BM : 23 rd June, 2017	62 nd BM: 8 th February, 2018
57 th BM : 29 th July, 2017	63 rd BM: 22 nd March, 2018
58 th BM : 05 th September, 2017	

The Details of the Board Committees is mentioned in the Corporate Governance Report in details.

17. Remuneration Policy for Directors/KMPs

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the criteria for determining qualifications, positive attributes, independence of a Director and policies relating to remuneration for Directors, Key Managerial Personnel. The remuneration policy for KMPs and Directors were reviewed annually by the Board in its 58th meeting held on 5th September, 2017 and in 61st meeting held on 16th January, 2018 respectively.

The objective of the Remuneration Policies is inter-alia to ensure that (i) the level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay; (ii) we retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage; (iii) to have performance measurement parameters in place to assess the overall performance of Directors, KMPs, Members of Senior Management and other employees; and (iv) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.

In respect of Directors Nominated by SBI/Managing Director, the remuneration shall be governed by the terms of his nomination by State Bank of India and to that extent this policy shall not be applicable to MD & CEO.

The said Policies are available on the website of the Company (www.sbigeneral.in)

18. Corporate Social Responsibility

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the Company, yet the Company has formulated the Corporate Social Responsibility policy and has constituted a CSR committee to look after the same. The CSR Policy of the Company is published on the Website of the Company. During the year, the company took some initiatives such as:-

- a. Participating in the Tata Mumbai Marathon in support of Childline 1098
- b. Donation of Geysers to orphanage
- c. Additionally, on the occasion of Foundation Day of your company, various branches undertook CSR activities such as organising blood donation drive, distribution

of food/blankets/clothes/stationery to local NGOs or rural schools etc.

The CSR report as per prescribed format under Section 134(3)(o) of the Act and Rule 9 of the Companies (Accounts) Rules, 2014 is placed at **Annexure 1** of this report.

19. Particulars of Employees

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is not applicable to the Company.

20. Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report at **Annexure 2**.

21. Corporate Governance Report

The Company has taken structured initiatives towards Corporate Governance and its practices are valued by various stakeholders. A detailed Report on Corporate Governance is annexed and forms part of this Report at **Annexure 3**.

22. Particulars of Loans, Guarantees or Investments

There are no Loans and Guarantees made by the Company during the financial year 2017-18. The details of Investments are given in Schedule 8 and Schedule 8A of the Financial Statements.

23. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s N. L. Bhatia & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. There has been no qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor in the Report. The Report of the Secretarial Auditor is annexed herewith as **Annexure 4** to this report.

24. Extract of Annual Return

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at 31st March, 2018 forms part of this report as **Annexure 5**.

25. Related Party Transactions

All party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval. The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in Companies Act 2013 and rules thereunder. There is no material Related Party Transaction neither there were Related Party Transactions requiring approval of the Board and/or Shareholders. Accordingly, Form- AOC-2 with nil report is attached at **Annexure 6**.

The Company has prepared a Related Party Transactions policy, for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

26. Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

27. Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment which is free of discrimination, intimidation and abuse. The Company believes that it is the responsibility of the organisation to protect the integrity and dignity of its employees and also to avoid conflicts and disruptions in the work environment due to such cases. The Company has put in place a 'Policy on Prevention of Sexual Harassment'. Internal Complaints Committee and Regional Complaints Committee has been set-up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees, deputed) are covered under this policy. There was Nil cases reported and closed as per the policy guidelines during the year under review under the said Policy.

28. Rural and Social Responsibility

Your company issued 16,75,975 policies in rural areas and covered 63,62,731 lives falling within the norms of social responsibility, as prescribed by IRDAI.

29. Auditors' Report

There is no qualification in the Auditors' Report and there are no supplementary comments by the Comptroller & Auditor General of India (C&AG) under section 143(5) of the Companies Act, 2013. Notes to the Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

You would be pleased to know that your Company has received 'Nil' comments from C&AG and the Statutory Auditors for the year 2017-18. There has been no fraud reported by the Auditors under Section 143(12) to the Audit Committee or Board or Central Government.

30. Auditors

Pursuant to Section 139 (5) of the Companies Act, 2013, the Statutory Auditors of your Company are appointed by the C&AG. The Insurance Regulatory and Development Authority of India prescribes eligibility criteria to be fulfilled by Statutory Auditors and further requires an Insurance Company to have Joint Statutory Auditors for Statutory Audit of the Company. Your Company is also subject to supplementary/test audit and Transaction Audit of the C&AG.

M/s J. Singh & Co., Chartered Accountants and M/s SARC & Associates, Chartered Accountants, as Joint Statutory Auditors of your Company were appointed by the C&AG for the FY ending 31st March, 2018. The Statutory Auditors for the FY 2018-19 will be appointed by the C&AG in accordance with Section 139 (5) of the Companies Act, 2013.

Your Company wrote to the C&AG seeking appointment of the Statutory Auditors for the FY 2018-19. The Office of C&AG has vide letter no. CA.V/COY/CENTRAL GOVERNMENT, SBIGIC (2)/40 dated 17th July, 2018 appointed M/s SARC & Associates, Chartered Accountants jointly with M/s Chaturvedi & Shah, Chartered Accountants as the Statutory Auditor of the Company for the financial year ending 31st March, 2019.

31. Comments of Comptroller & Auditor General of India

Since your Company is subject to Supplementary/Test Audit and Transaction Audit of the C&AG, the Joint Statutory Auditors of your Company have submitted a copy of their Audit Report to the C&AG pursuant to Section 143(5) of the Companies Act, 2013. The office

of C&AG has conducted a Supplementary Audit, under Section 143(6)(a) of the Companies Act 2013, of the Financial statements of the Company for the Financial year 2017-18 and there has not been any reservation, qualification or adverse remark by the office of C&AG in its comments under Section 143(6)(b) of the Companies Act 2013, on the accounts of the Company.

The Letter No. GA/CA-1/SBI General/Accounts/2017-18/56 dated 04/07/2018, issued by C&AG is placed next to the Statutory Auditors' Report in the Annual Report.

32. Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgoings

Since General Insurance Business is the core activity of your Company, Section 134(3)(m) of the Companies Act, 2013 read with the rules made thereunder, the clause relating to Conservation of Energy and Technology absorption is not applicable to your Company and hence the information required to be disclosed in the Board's Report is not given.

During the year under review, the net expenditure in foreign currencies amounted to ₹79.22 crore.

33. Directors' Responsibility Statement

To the best of the knowledge and belief and according to the information and explanations obtained by them your Directors make the following statements in accordance with the provisions of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2018:

- (i) In preparation of the financial statements, all applicable accounting standards, generally accepted accounting principles and policies have been followed, and there have been no material departures from the aforesaid;
- (ii) The management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the operating profit under the Revenue Account and of the profit in the Profit and Loss Account of the Company for the year ended 31st March, 2018;
- (iii) The management has taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 (4 of 1938) and the Companies Act 2013 (1 of 2013), for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The management has prepared the financial

- statements on a going concern basis;
- (v) The management has set up an internal audit system commensurate with the size and nature of the business and the same was operating effectively during the year; and
- (vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

34. Internal Financial Controls

Your Company has laid down, the Internal Controls on Financial Reporting and the same are being followed by the Company. Further, Internal Control over Financial Reporting are adequate and operating effectively so as to ensure the orderly and efficient conduct of our business. This includes adherence to company's policies, safeguarding of assets, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information during the financial year 2017-18.

35. Reporting of Frauds by Auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

36. Secretarial standards

The Company complies with all the applicable secretarial standards.

37. Updates on Indian Accounting Standards

Pursuant to the notification issued by the Ministry of Corporate Affairs pertaining to the Companies (Indian Accounting Standards) Rules, 2015 and subsequent circular issued by the insurance regulator (IRDAI), directing insurance Companies to comply with the requirements of Ind AS financial statements for accounting periods beginning April, 2018, the company has sought consulting expertise of M/S Deloitte, Haskins & Sells to integrate us with the the newly laid out Ind AS. The Ind AS implementation project is on track and the company has already submitted the Ind AS based pro-forma financial statements for the period ended December, 2016 and March, 2017 to the regulator (IRDAI).

However, as per the latest circular issued by the

Authority (IRDA/F&A/CIR/ACTS/146/06/2017) dated 28th June, 2017, the implementation of Ind AS for insurance companies has been deferred by a period of two years, now made effective on and from FY 2020-21. The decision has been taken primarily to address the issues arising out of a differentiated methodology adopted during the course of valuation of assets and liabilities, as per Ind AS (converged IFRS).

The Company will however maintain and monitor the Ind AS implementation project all along and ensure timely submissions of Ind AS compliant quarterly pro-forma financial statements to the Insurance Regulatory Body (IRDAI) as per their latest directive.

38. Appreciation and Acknowledgment

Your Directors are highly grateful for all the help, guidance and support received from the Insurance Regulatory and Development Authority of India, Registrar of Companies, Reserve Bank of India, the Comptroller and Auditor General of India (C&AG), the Auditors M/s J. Singh & Associates, Chartered Accountants and M/s SARC & Associates, Chartered Accountants, Our Secretarial Auditor M/s N. L. Bhatia & Associates, our reinsurers and various channel partners. The Directors would also like to place on record their sincere appreciation for the assiduous efforts and dedicated contributions put in by the employees of the Company at all levels to ensure that the Company continues to grow and excel.

Your Board wishes to acknowledge the contribution made by Smt. Arundhati Bhattacharya, who demitted her offices as Chairman of the Company for her invaluable services and guidance provided by her.

For and on behalf of the Board of Directors of

SBI General Insurance Co. Ltd.

Shri Rajnish Kumar
Director

Shri Pushan Mahapatra
MD & CEO

Date: 27th July, 2018

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

As a responsible Company, SBI General recognises that its activities (operations, products and services) have a wider impact on, and can therefore contribute to, the society in which it operates, and aims to take this into account by taking appropriate activities, as outlined in this Policy.

SBI General will consistently strive for opportunities to conduct various activities under CSR as prescribed under the Companies Act, 2013 and the rules/ directions made thereunder.

The main objectives of the CSR Policy are:

- a) To contribute to the social cause of the society, to project the humane face of the Company and to develop a better image of the SBI General as a responsible corporate citizen.
- b) To create a social orientation amongst the employees of SBI General as a conscious organisational policy.
- c) To cherish the vision and values of SBI General.
- d) To generate, through its CSR initiatives, a community goodwill for SBI General and help reinforce a positive & socially responsible image of SBI General as a corporate entity.

SBI General would endeavour to participate/contribute in activities as mentioned in Schedule VII of the Companies Act, 2013 relating to:

- i. Health;
- ii. Sanitation and Toilets in Rural Schools for students
- iii. promotion of education and child development activities;
- iv. Welfare and rehabilitation of poor and handicapped;
- v. promoting Sports and Games;
- vi. promoting gender equality and empowering women;
- vii. reducing child mortality and improving maternal health;
- viii. combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;

- ix. ensuring environmental sustainability;
- x. employment enhancing vocational skills;
- xi. Entrepreneur development programmes and social business projects;
- xii. Assistance to IT education in Rural/ Tribal/ unreached areas
- xiii. Assistance during natural calamities

The **five focus areas** where special Community Development programmes would be run are:

1. Eradicating hunger, poverty and malnutrition

- Promoting sanitation (including contribution to Swach Bharat Kosh, set up by Central Government for promotion of Sanitation, making available safe drinking water).
- Provision of food, nutrition supplement, clothes etc for the poor, children and other deprived sections of the society.
- Provision of shelter for homeless.

2. Promoting Health care including Preventive Health care

through awareness programmes, health check-ups, provision of medicine & treatment facilities, providing pre natal & post natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity.

3. Ensuring environmental sustainability and ecological balance through :

- Plantation drives in schools, villages, our offices/ business premises and other areas in general;
- Protection of flora & fauna;
- conservation of natural resources;
- Adoption of wastelands to cultivate plants;

4. Employment and livelihood enhancing vocational skills and projects

including tailoring, beautician, mehendi application, bee keeping, food processing and preservation, vermi-composting and other Life Skill Training and livelihood enhancement projects.

5. Promotion of education especially among children, women, elderly and the differently abled including:

- Non-formal education programmes;
- Supporting schools with infrastructure like benches, toilets, potable water, fans etc.;
- Supporting other educational institutions;
- Improving educational facilities in general;
- Supporting children for higher education;

The web-link for the CSR Policy of the Company is <https://www.sbigeneral.in/SBIG/important-links>

2. The Composition of the CSR Committee as on the date of report :

The Members of the CSR Committee are:

Shri Ashok P. Pradhan, Chairman & Independent Director of the Company,
 Shri P. K. Gupta (SBI Nominee Member),
 Shri Dinesh Kumar Khara (SBI Nominee Member),
 Shri Pushan Mahapatra (SBI Nominee Member) and
 Shri Alp Altun (IAG Nominee member).

3. Average net profit of the company for last three financial years:

The Average Net Loss of the Company for last three years is ₹24.70 crore.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): NIL

5. Details of CSR spent during the financial year :

(a) Total amount to be spent for the financial year: NIL

(b) Amount unspent, if any: NIL

(c) Manner in which the amount spent during the financial year is detailed below.

(1) S. No	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs 1. Local area or other 2. Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure upto the reporting period	(8) Amount spent: Direct or through implementing agency*
				NIL			
TOTAL							

*Give details of implementing agency.

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: N.A.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

Sd/-

Pushan Mahapatra
(Managing Director & CEO)

Sd/-

Ashok Pradhan
(Chairman- CSR Committee)

Annexure 2

Management's Discussion and Analysis Report

1. Macro Economic Environment and Non-Life Insurance Industry Developments

During Fiscal 2018, amidst economic crisis across the globe, India has posed a beacon of hope with ambitious growth targets, supported by a bunch of strategic undertakings such as the Make in India and Digital India campaigns. In many ways, 2017-18 was a defining year for the Indian economy with Country seeing few important reforms on economic policy front such as implementation of Goods and Services Tax (GST), The Insolvency & Bankruptcy Code and Real Estate Regulation Act (RERA).

During the year, for the first time in 14 years, the Moody's Investors Service ("Moody's") upgraded the Government of India's local and foreign currency issuer ratings to Baa2 (positive) from Baa3 (stable). This was driven by its assessment that the Government reforms will foster sustainable growth, strengthen India's institutional framework and provide greater assurance that the Government debt will remain stable. Further Implementation of GST was a big step towards simplifying indirect tax structure and formal economy. GST is expected to boost India's GDP growth, improve manufacturing outlook and create jobs.

The Insolvency and Bankruptcy Code consolidated existing framework by creating single law for insolvency and bankruptcy dealing with insolvency of corporates, partnerships and individuals and other entities.

According to the estimates of Central Statistical Office (CSO), the GDP in 2017-18 grew by 6.6% in constant price terms as compared to 7.1% for FY 2016-17. Agriculture, forestry and fishing sectors had a slow year, growing at 3.0% in FY 2017-18 after a 6.3% growth in FY 2016-17. The Service sectors continued to drive growth, with their 7.1% growth in FY 2016-17 followed by 7.5% growth in FY 2017-18. Manufacturing sector witnessed a brief slowdown, growing at 5.1% in FY 2017-18 compared to 7.9% for FY 2016-17. India's GDP growth outlook is improving with India's GDP growth projected at 7.4% for 2018 and 7.8% for 2019. The RBI estimates that growth for FY 2018-19 would be 7.4% for 2018 and 7.8% for 2019 on account of various factors, including stabilisation of GST implementation, early signs of revival in investment activity, potential resolution of large distressed borrowers under the Insolvency and Bankruptcy Code, etc.

Non-Life Insurance Industry developments

FY 2017-18 witnessed the public issues of the largest general insurers in the public and private sectors, and the largest domestic reinsurer, providing the public an opportunity to participate in the Indian general insurance sector. In addition, IRDAI also issued guidelines enabling Private Equity funds to promote Indian insurers, provided they satisfy prescribed fit and proper criteria.

During the year, the Regulator has issued Guidelines on Motor Insurance Service Providers, enabling automobile dealers to solicit and service motor insurance. Further, the Regulator has issued draft Guidelines on Independent Assessment of Statutory Actuarial Valuation to avoid errors or mis-statements while reporting liabilities and revised Prevention of Money-Laundering Rules, requiring customers to submit their Aadhaar/PAN details to insurers within specified timelines.

During the year, the General Insurance industry grew by 17.4%, led by Motor, Health, Personal Accident and Crop segments. Motor segment grew by 18.0%, supported by growth in domestic sales of passenger cars (7.9%), commercial vehicles (19.9%) and two-wheelers (14.8%), and revision in rates for the Motor Third Party segment. Health segment (22.4%) and Personal Accident segment (20.8%) witnessed strong growth largely on the back of improved insurance penetration. The corporate segment grew by 7.2% on a year-on-year basis, resulting in a 17.1% growth rate for the industry (excluding crop segment). The crop segment registered a growth of 18.9% driven by an increase in insurance penetration.

The industry has grown at a CAGR of approximately 17% for the last 16 years. Despite this, non-life insurance penetration continues to be around 0.8% of GDP against world average of 2.8% and given India's demographic dividend, the sector is poised to reach newer heights in the coming years.

The market share of the four PSU insurers decreased from 47.0% in FY 2016-17 to 45.1% whereas the share of Private insurers increased from 42.0% to 43.4% in FY 2017-18. In comparison, the Standalone Health Insurers have increased their market share to 5.5% in FY 2017-18 from 4.6% in FY 2016-17. Among the PSUs, New India Assurance continues to have the highest market share of 15.1% and among the Private insurers, the highest market share was that of ICICI Lombard at 8.2%.

In FY 2017-18, Motor remains the dominant line of business with 39.40% share followed by Health insurance (including PA) at 28.1%, Fire at 7.20% and Crop at 20%. The share of all other lines of business is in single digits (approximately 1-3%), totalling to 4.3%.

2. Summary of Operations

i. Business Operations & Company Performance

SBI General Insurance completed its 9th year of operations, with 111 branches pan India (Including HO) and 77 insurance products approved by IRDAI as on 31st March, 2018.

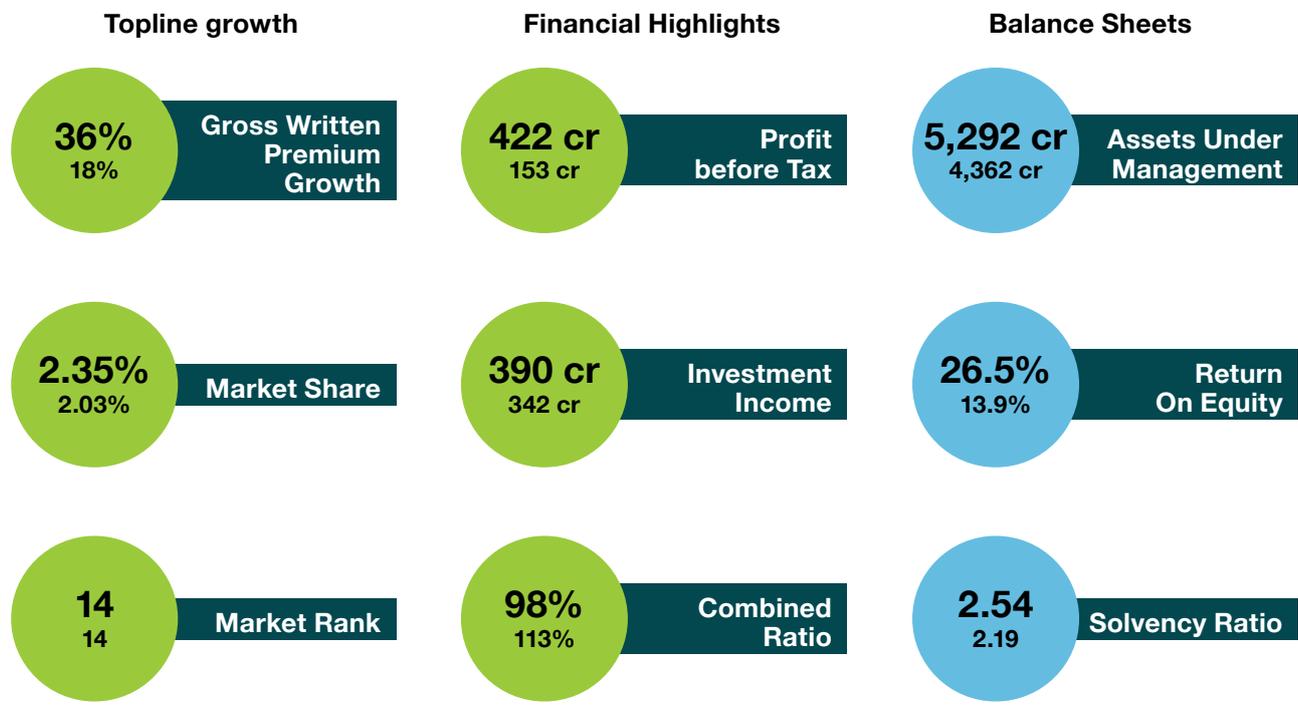
In FY 2017-18, SBI General GDPI (Gross Direct Premium Income) increased from ₹2,604 crore during the FY 2016-17 to ₹3,544 crore as against, a growth

of 36% compared to the industry growth of 17.5% including Crop Insurance business. The growth for SBI General for FY 2017-18 excluding Crop Insurance was 24%.

In terms of market ranking in the Industry, SBI General is at 9th among private insurers (including standalone health insurers) and at 14th in the industry in FY 2017-18. SBI General market share among Private Insurers in FY 2017-18 was at 5.4% against 4.8% in FY 2016-17. In the GI Industry, your company's market share was 2.4% as compared to 2% last year.

The Company registered a growth of 175.8% in its profit before tax from ₹153 crore during FY 2016-17 to ₹422 crore during FY 2017-18. The performance highlight of the Company is as under:

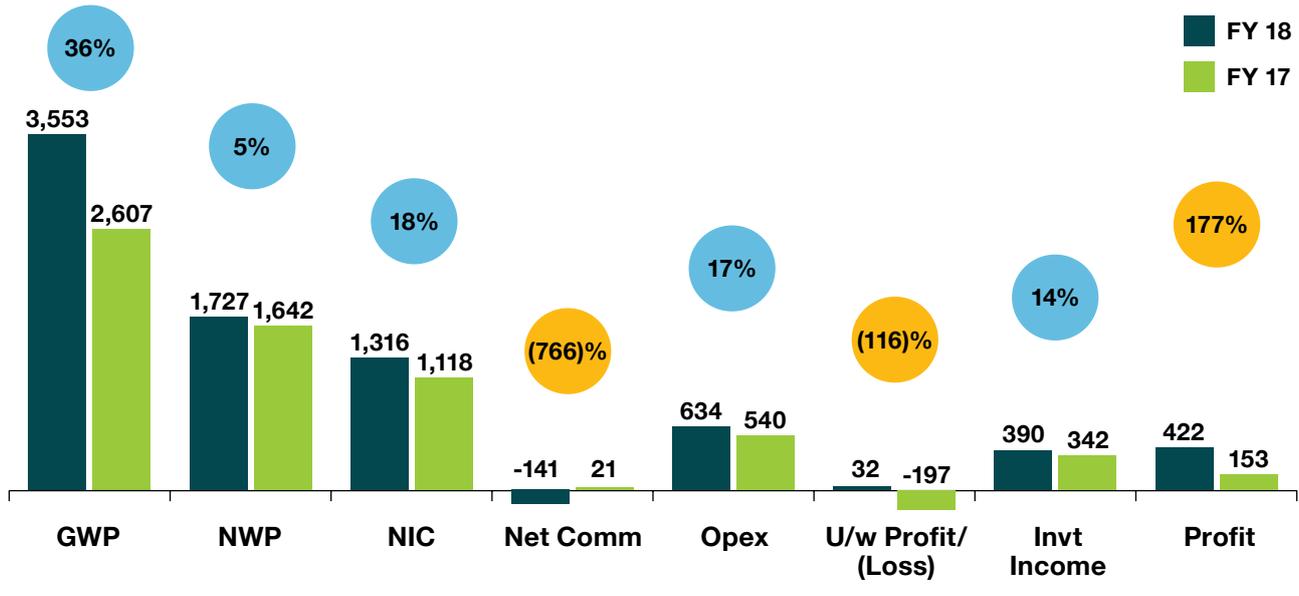
Performance highlights for the year ended March, 2018



Note: Numbers at bottom are last year except where indicated otherwise

The Drivers of Growth is depicted as under:

₹ in crore



With a focus on continuing profitable growth, your Company's strategies had been defined to target profitable growth and efficient expenses management which resulted in significant profits in FY 2017-18. Your Company has tied up TAFE Tractors during the year and continues to expand its reach in the existing tie ups with motor manufacturers. With the successful implementation of the Sales Transformation Project, Step Up, a structured sales rhythm in sync with branch segmentation has been developed with a monitoring and review mechanism to ensure continuity. Sales tools have been introduced for both the sales employees (Yuva) and the Bank staff (Secure) as enablers to track visits, avail product information instantly, and monitor sales progress. Your Company has a presence on the SBI YONO mobile app to expand reach through the Bank's digital assets. A complete refresh of the Customer and Intermediary facing portals has been achieved to provide self service options to both our customers and intermediaries respectively.

The Channel Wise performance of Bancassurance Channel, Agency & Alternate Channel, Agri & Rural, and Broker & Direct for FY 2017-18 is as under:

a. Bancassurance

The Bancassurance channel has contributed to 56.38 % of GWP during the year under review. In absolute terms, the total premium contribution was

₹1,712 crore. During the year under review, your Company recorded a very good growth of 126 % in Loan Insurance with budget achievement of 125%. In Simple Home Insurance, we booked a record 1 lakh policies within a span of 5 months since the product launch, with a contribution of Rs 13.80 crore. In Health and GPA LoBs the budget achievement was 106% and 111% respectively. The overall budget achievement in Banca Channel was 88 %.

b. Agency, Alternate, and Digital Channel

Through multiple auto manufacturer tie ups, licensing of 765 agents, 53 Business Correspondents and 6 Non-Banking Financial Companies (NBFCs), 1 Small Finance Bank, 3 Cooperative Bank, 8 Insurance Marketing Firm, 7 Motor Insurance Service Provider, this channel has contributed 24% of the total GDPI, amounting to ₹846 crore. Successful implementation of MISP guideline rolled out by the regulator for business done through OEMs & Auto Dealers, supporting insurance companies to streamline cost of acquisition.

c. Broker and Direct Corporate

Corporate Broking and Direct channel achieved a Gross written premium of ₹286 crore during FY'18 resulting in a contribution of 8.08% of the total GDPI.

General Insurance Industry continues to struggle

in the Commercial Line space specifically the Mid Corporate segment where pricing is a challenge. A soft and highly competitive market has made the overall business environment quite challenging. However, hardening of rates has been witnessed in lines such as Group Health in FY 2017-18.

The Company continues to build its corporate portfolio selectively focusing on geographic, channel as well as product diversification.

d. Rural and Agriculture

Government of India had launched Pradhan Mantri Fasal Bima Yojana (PMFBY) during 2016 with a goal of minimum premium and maximum insurance for the benefit of farming community. Premium rates to be paid by farmer were kept lower as compared to previous crop insurance schemes.

Crop insurance under PMFBY has gained significant outreach whereby the coverage of farmers under the scheme increased by 18% as compared to FY 2015-16 and penetration on Gross Cropped Area (GCA) reached 30% during FY 2016-17. Sum Insured per hectare was changed from value of threshold yield to scale of finance under PMFBY which resulted in increase in overall sum insured by more than 70%. Also, new crop insurance scheme came up with more comprehensive coverage

Recognising the opportunities provided by a heavily under-insured rural market, your company formed a dedicated channel focusing on the Rural & Agriculture insurance. This channel clocked aggressive growth during the year and has contributed 19.75% of the total GDPI, amounting to ₹700 crore. Your Company has also surpassed the rural business obligations mandated by the Insurance Regulatory and Development Authority of India in FY 2017-18.

ii. Underwriting

Your Company accepts insurance risks as per the Underwriting Policy approved by the Board which is reviewed annually. The Company continues to write business on a risk based pricing approach. Your Company's risk selection and approach remains consistent over time which is reflected in the loss ratios of the Company. However, where warranted, your Company has taken corrective actions to improve the loss ratios in various portfolios.

The year under review witnessed, that the market continues to under price risks especially in the Property Fire policies of Mid to Large Corporate segment. Rate

correction which was witnessed in selected industrial occupancies such as Power, Steel, Automobiles, Airports, Chemicals, Pharmaceuticals, Paper, Tyre, Aluminum /Copper, IT Parks and Cement in the previous year was also subject to pricing pressures especially in accounts with favourable loss ratios. Pricing pressures continued to prevail in the Group Health policies also in this period. Burning Cost rating regulations were introduced by IRDAI from 1st January, 2015 and Your Company is complying with these regulations.

It is anticipated that future product development will focus mainly on variations and enhancements to existing products and on a selection of niche products rather than on major new product streams that would generate significant premium volume.

iii. Reinsurance

Your Company's business portfolio is protected by way of adequate reinsurance arrangements such that the Company's exposure to a large loss, affecting a single risk or a series of losses affecting a number of risks arising out of a single catastrophic event does not materially impact the Company.

iv. Claims

Your company has handled 162,814 claims in the financial year 2017-18 which is an increase of 11% over last financial year with major increase in Health and GPA portfolios with 24% and 21% increase respectively, amounting to total disbursement of ₹981.34 crore with 99% disposal ratio.

Overall 108,712 Motor OD claims has been handled by the team with Average Finalised Claims Cost reduction of 14% compared to previous financial year with the settlement ratio of 100%.

Your company has formed Quality Assurance(QA) team under claims to ensure that all claims processes are complying to the internal as well as external quality standards expected from claims as well as the organisation.

Your company has implemented "Net Promoter Score" (NPS) for Health claims in this financial year to get customer insights on claims experience and improve upon the internal processes. The Motor OD NPS implemented in the previous year has shown improvement by more than 2.5 times compared to last year, due to changes in processes and systems because of customer feedback.

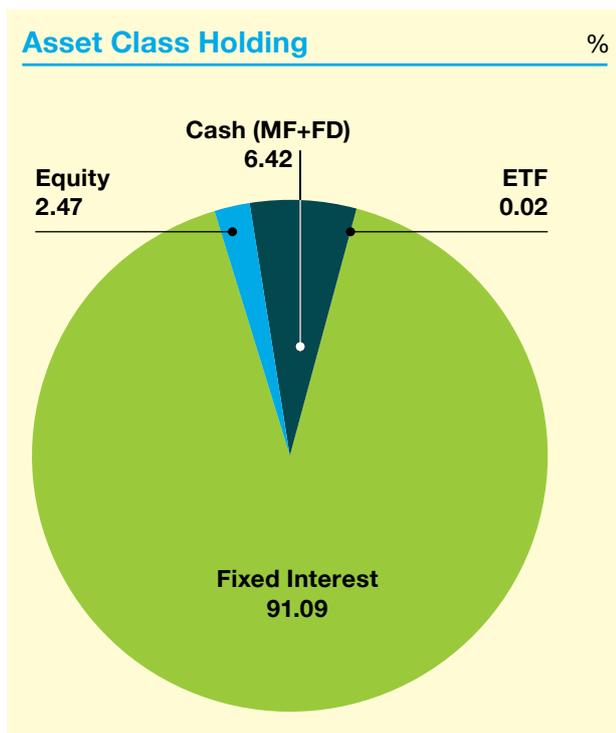
In Motor Third Party claims, your Company has managed to settle claims by proactive participation in Lok Adalats

and conciliations. Overall 1,958 claims were settled through Lok Adalats and conciliations.

In Health and PA products, your company has processed more than 43,827 claims with a settlement ratio of over 98%.

v. Investment Activity

Investments are made in accordance with the regulations laid down by IRDAI (Investment) Regulations, 2016, Insurance Act 1938 and the Board Approved Investment Policy. Efforts are made to optimise the returns on the portfolio while matching the duration of Assets and Liabilities prudently and maintaining adequate liquidity in the Company. The Investment Committee of the Board reviews the investment performance on a quarterly basis. As on 31st March, 2018, the Investment portfolio stood at ₹5,292.19 crore. Your Company's investment corpus comprises 95.21% of debt securities out of which 81.12% in Sovereign and AAA/A1+ rated securities 9.96% in AA+/AA and AA- rated securities, 4.13% in liquid schemes of mutual funds. 2.3% of fixed deposits and 2.49% of investments in equities/ETF. The investments are usually held to maturity. The yield on investments stands at 8.18% for the year ended 31st March, 2018.



vi. Information Technology

Your Company's IT Department has achieved benchmarks on increasing the total number of system policies issued in a year by 28% to 30,09,390 policies. The total number of IT enabled branches are 110.

Your Company's IT Department has successfully completed two successful Disaster Recovery drills with reverse replication in one of the drills, to ensure that there is system continuity in case of a disaster at the Primary Data Centre.

Your Company's IT Department has under taken a Hardware refresh program for replacement of 6-7 year old servers, storage, network and communication equipment. Investments have been made to install the state of art infrastructure such as Flash Array Storage devices, and Hyper Converged Infrastructure.

Your Company's IT Department has also successfully undertaken and delivered in-house projects like OVID (Online Vehicle Information Data), CAPS (Corporate Account Planning System) and SBI Personal Accident Renewal through Customer Portal. Apart from in-house projects, Customer and Intermediary Portal revamp was undertaken and GST rollout, Simple Home product launch, Motor 2 Wheeler product launch and MS Office 365 implementation were completed in FY 2017-18.

Further business driven IT initiatives are planned for the FY 2018-19.

vii. Human Resources:

Your Company started the financial year 2017-18 with the headcount of 2,622 and the closing headcount was 2,881.

Your company is on the cusp of the next wave of business growth and has thus been making efforts to simplify and digitize its people processes to assist in business achievement and enhance productivity. Your Company has also been focusing on strengthening its performance management system and having a differentiated performance culture.

viii. Operations & Customer Services

Your Company has serviced 3,022,898 policies and over 124,691 Endorsement transactions in the current fiscal. A host of process refinements and IT functionalities were introduced during the year to improve upon operational efficiencies. Some other noteworthy milestones of the year are:

- Company has started servicing customers from 111 locations (including Head Office) at the end of the year with every one of them being self-sufficient for end-to-end services.
- Your Company's Contact Centre has handled over 5.31 lakh calls and over 1.69 lakh emails of customers and prospects.

Complaints Management: Your Company has integrated its CRM platform with IRDAI's Integrated Grievance Management System for efficient management of customer complaints and has handled 846 complaints during the fiscal.

Grievance Redressal Committee: Your Company has a Grievance Redressal Committee of the Management with an objective to review the representations made by customers against repudiation and policy related issues, if any. The Committee is empowered to review the representation both on merits and technicality. The Committee has met 28 times during the year 2017-18 and has attended and disposed-of 267 complaints received by it.

3. Solvency

An insurance company is considered to be solvent if its assets are adequate and liquid to pay off claims or liabilities as and when they arise. The solvency ratio is used to assess this. Thus, an insurance company's solvency ratio indicates its claim paying ability; higher the solvency ratio, better the claim paying ability. As on 31st March, 2018, the Company had a solvency ratio of 2.54 as against the minimum regulatory requirement of 1.50.

4. Future Outlook

Industry analysts expect the General Insurance industry growth to continue in the range 14% to 18% in FY 2018-19.

Favorable macroeconomic situation supported by low insurance penetration levels across retail lines such as Motor, Accident, Health, Home, Asset creation potential in commercial lines and improved insurance awareness shall continue to provide growth opportunities for the industry over the medium term. In addition, recent regulatory changes are enabling insurer easier access to capacity, capital, distribution reach and customer information than ever before. While this is expected to heighten the competitive intensity at one end, it shall also improve the ability of insurers to provide customised

insurance solutions to the customers over the long term.

The Company will continue to focus on profitable growth across channels and lines of business in FY 2018-19. The five-year business plan approved by the Board is in place with strategic objectives clearly defined to achieve the short and long-term goals. In FY 2018-19, the Company plans an aggressive growth and has set a Gross Written Premium (GWP) target of ₹5,300 crore, a growth of 50% over FY 2017-18. The Company expects to maintain its profitable growth along with budget achievement for FY 2018-19.

With the motor manufacturing tie ups now in place, the business from Alternate channel is expected to grow significantly in addition to other Bank tie ups to build a more balanced book of business and extend reach to the customers across channels. In addition to increasing penetration and activation in our Bancassurance channel through a segmented approach, we are in the process of setting up dedicated sales channel for SME as well as for Direct sales.

Annexure 3 to Directors Report 2017-18

REPORT ON CORPORATE GOVERNANCE

“Corporate Governance is the application of best Management Practices, Compliance of Laws in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.” Your Company is committed to the best practices in the area of Corporate Governance, in letter and in spirit. It believes that Corporate Governance is not merely about enacting regulations and procedures but also about establishing an environment of trust and confidence among various stakeholders.

In accordance to the provisions of the Corporate Governance Guidelines issued by the Insurance Regulatory & Development Authority of India (IRDAI), the report containing details of the Corporate Governance systems and processes of the Company for the financial year ended 31st March, 2018 is as under:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is intrinsic to the Management of Company affairs. Good Governance aids effective management and control of business. Your Company believes that sound Corporate Governance plays a crucial role in enhancing and retaining the trust of the stakeholders. It enables the Company to maintain high level of business ethics and to optimise the value for all the stakeholders. The Company ensures that its performance goals are aligned with integrity. The Company adheres to ethical standards which lead to effective management. It believes in accurate and transparent disclosures pertaining to its operations, performance, risk and financial position.

2. BOARD OF DIRECTORS

a) Composition and Category of the Board

The Board of Directors alongwith its Committees provide leadership and guidance to the Company's Management and supervises & controls the performance of the Company. The Board's action and decisions are aligned with the Company's best interest. No Director is related to any other Director on the Board under the degrees of relationship defined under the Companies Act, 2013.

The Composition of the Board of Directors is governed by the Companies Act, 2013, Corporate Governance Guidelines issued by the IRDAI and the Articles of Association of the Company. The Board of Directors of your Company has an optimum combination of Executive and Non Executive Directors. As on 31st March, 2018, the total strength of Board is 10 (Ten) Directors out of which 4 (four) are nominees of State Bank of India (SBI), 2 (Two) are nominees of IAG International Pty. Ltd. and 4 (Four) are Independent Directors.

The Composition of the Board of Directors of the Company as at 31st March, 2018 is as follows:

Name of the Directors	Designation	Category
Shri Rajnish Kumar	Director	Non Executive, SBI Nominee
Shri P.K. Gupta*	Director	Non Executive, SBI Nominee
Shri Dinesh Kumar Khara	Director	Non Executive, SBI Nominee
Shri Duncan Victor Brain	Director	Non Executive, IAG Nominee
Shri Alp Altun	Director	Non Executive, IAG Nominee
Shri Ashok Pradhan	Director	Non Executive, Independent Director
Shri M. K. Garg	Director	Non Executive, Independent Director
Shri D. Sundaram**	Director	Non Executive, Independent Director
Smt Smeeta Bhatkal***	Director	Non Executive, Independent Director
Shri Pushan Mahapatra	Managing Director & CEO	Executive, SBI Nominee

*Shri P.K. Gupta was appointed as Nominee Director of SBI on Board of the Company w.e.f. 22nd March, 2018.

**Shri D.Sundaram was re-appointed as an Independent Director on Board of the Company for a period of three years w.e.f. 12th December, 2017.

***Smt Smeeta Bhatkal was appointed as an Independent Director on Board of the Company for a period of three years w.e.f. 7th January, 2018.

The details of the Directors like qualification, specialisation, and status of directorship as well as brief profile, as at 31st March, 2018 is given at **Annexure 1** enclosed with this report.

b) Number of Board Meetings held and attendance during 2017-18:

The number of Board Meetings held and attended by each of Directors of the Company is depicted in the table given below. During the year under review, 11 (Eleven) Board Meetings were held on the following dates:

53 rd BM : 10 th April, 2017	59 th BM :16 th October, 2017
54 th BM : 2 nd May, 2017	60 th BM: 7 th January, 2018
55 th BM : 8 th June, 2017	61 st BM: 16 th January, 2018
56 th BM : 23 rd June, 2017	62 nd BM: 8 th February, 2018
57 th BM : 29 th July, 2017	63 rd BM: 22 nd March, 2018
58 th BM : 05 th September, 2017	

Directors	Total Meetings held during the tenure	Attendance at the Company's Board Meetings	Whether present at the last AGM held on 15 th September, 2017
Smt Arundhati Bhattacharya*	06	02	No
Shri Rajnish Kumar	11	06	No
Shri P.K. Gupta**	01	00	NA
Shri Dinesh Kumar Khara	11	11	Yes
Shri Duncan Victor Brain	11	05	No
Shri Alp Altun	11	11	No
Shri Ashok Pradhan	11	11	Yes
Shri M. K. Garg	11	11	No
Shri D. Sundaram	11	11	No
Smt Smeeta Bhatkal***	04	03	NA
Shri Pushan Mahapatra	11	11	Yes

* Smt. Arundhati Bhattacharya (Chairman & Nominee of State Bank of India) resigned from Board w.e.f. 9th October, 2017 due to superannuation from SBI.

** Shri P.K. Gupta was appointed as Nominee Director of SBI on Board of the Company w.e.f. 22nd March, 2018.

*** Smt. Smeeta Bhatkal was appointed as an Independent Director on Board of the Company for a period of three years w.e.f. 7th January, 2018.

c) Availability of information to the Board

The Board of Directors of your Company has unfettered and complete access to all the information within the Company and to the employees of your Company. The Meetings are convened by giving appropriate Notice to all the Board of Directors. Detailed Agenda, Memoranda alongwith all the relevant documents and explanatory statements are circulated to the members of the Board to facilitate meaningful, informed and focused decisions at the meetings. Wherever agenda includes any Affirmative Vote Matter as prescribed in the Articles of Association, a disclosure to this effect is made in the memorandum. Where it is not practicable to circulate any document or agenda, the same is tabled with the unanimous consent of the Board members as permitted by the Articles of Association.

The agenda papers are prepared by the concerned functional heads and approved by the Managing Director & CEO of your Company before such agenda papers are circulated amongst the members of the Board/ Committee by the Company Secretary. The Committees of the Board have authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist the Committee in its work.

The Board, inter alia, is apprised with all the information pertaining to the following:

- Minutes of meetings of the various Committees of the Board of Directors like Audit Committee, Investment Committee, Risk Management Committee, Policyholders' Protection Committee, Bancassurance Committee, Nomination & Remuneration Committee, CSR Committee, HR Committee and Technology Committee.
- General notices of interest received from Directors of the Company.
- Quarterly/ Half Yearly/ Annual Financial Statements of the Company.
- Information pertaining to the policies of the Company.
- Information on recruitment and remuneration of senior officers just below the Board level.
- Any significant developments on the human resources aspect.
- Updates on the Regulatory and Statutory Compliances of the Company.
- Control Returns in respect of decision taken as per Financial Delegation of Powers.
- Reports on Claims and Grievances received by the Company and ageing thereof.
- State of affairs of the Company vide detailed CEO updates.

3. BOARD COMMITTEES

The Board has constituted 6 (Six) mandatory Committees namely the Audit Committee, Nomination and Remuneration Committee, CSR Committee, Investment Committee, Risk Management Committee and Policyholders' Protection Committee as per the Companies Act 2013 read with Corporate Governance Guidelines issued by IRDAI. The Board has also constituted a Bancassurance Committee to focus on the Bancassurance business of the Company, a HR Committee and a Technology Committee. The Terms of Reference of Risk Management Committee include the expectations from

ALM Committee whereas the Terms of Reference of HR Committee include the expectations from the Ethics Committee as conceived in the IRDAI's Guidelines on Corporate Governance.

These Committees have a critical role in strengthening the control environment in the Company. Apart from the above, there are a number of Management Committees with specific terms of reference. Meetings of such Management level Committees are held as and when the need for discussing the matter concerning the purpose arises.

The Committees Meetings have been held minimum 4 (four) times during the period under review and not more than 120 days elapsed between 2 (two) successive meetings. The recommendations and minutes of all the committees are submitted to the Board in its subsequent meetings.

All the committees have an optimum composition of Non-Executive Directors and the Nominee Directors of SBI and IAG International Pty. Ltd. No quorum at any meeting of Committee or subcommittee shall be validly constituted unless at least one IAG Nominee Director and one SBI Nominee Director are present at the commencement of such meeting and throughout its proceedings, and in case of committees and sub-committees other than those requiring a majority of Independent Directors under Applicable Law, the total number of SBI Nominee Directors present at the beginning of, and throughout such meeting, is more than the total number of IAG Nominee Directors present at the beginning of, and throughout such meeting, as provided in the Articles of Association of the Company. Further, in case any Independent Director is member of a Committee, presence of Independent Director is also necessary for the purpose of constituting valid quorum.

As per the provisions of regulation 7.3(a) of the Insurance Regulatory and Development Authority (Appointed Actuary) Regulations, 2000 issued by IRDA, an Appointed Actuary is entitled to attend all the Meetings of the Company. Accordingly, in compliance with this regulation, the Appointed Actuary is invited to attend all the Board and Committee meetings of the Company.

i. Audit Committee

The Board had formed the Audit Committee pursuant to the provisions of section 292A of the erstwhile Companies Act 1956 and Clause 7.1 of the Corporate Governance Guidelines issued by the IRDA. The Board in its meeting held on 21st May, 2014 had pursuant to Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, re-framed the composition of the existing Audit Committee and its Terms of Reference to meet the statutory prescriptions under the new Act.

a) Composition of the Audit Committee as on 31st March, 2018

The composition of the Audit Committee as on 31st March, 2018 is as follows:

Name of the Directors	Designation	Category
Shri M. K. Garg	Chairman	Independent Director
Shri Ashok Pradhan	Member	Independent Director
Shri D. Sundaram	Member	Independent Director
Shri Dinesh Kumar Khara	Member	SBI Nominee
Shri Alp Altun	Member	IAG Nominee

Shri M. K. Garg, Chairman of the Audit Committee, is an Independent Director of the Company and is a Chartered Accountant with Financial background. All the members of the Committee have strong financial analysis background. The Constitution and Terms of Reference of the Committee are in compliance with the requirements of Section 177 of the Companies Act, 2013 and Corporate Governance Guidelines issued by IRDA. The Head of Finance Function i.e. Chief Financial Officer, Appointed Actuary, Statutory Auditors and SVP Internal Audit & CRO are invited to attend the meetings of the Audit Committee.

b) Meetings held

During the year under review the Audit Committee met 7 (Seven) times on the following dates:

2 nd May, 2017	16 th October, 2017
08 th June, 2017	07 th January, 2018
23 rd June, 2017	16 th January, 2018
29 th July, 2017	

Necessary quorum was present at all the meetings of the Audit Committee.

c) Attendance

The details of attendance at the Company's Audit Committee Meetings held during the year under review are as follows:

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri M. K. Garg	7	7
Shri Ashok Pradhan	7	7
Shri D. Sundaram	7	7
Shri Dinesh Kumar Khara	7	7
Shri Alp Altun	7	7

The Chairman of the Audit Committee attends the Annual General Meeting to answer shareholders queries, if any. The Company Secretary of the Company acts as Secretary of the Audit Committee.

Brief Description of the Terms of Reference

The primary objective of the Audit Committee is to carry on functions enshrined in Section 177 of the Companies Act, 2013 (18 of 2013, hereinafter "Act") read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 (hereinafter "the Rules") and to carry on functions as may be prescribed under the Corporate Governance guidelines as applicable to the Company. The Committee monitors and provides effective supervision of the Management's financial reporting process to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee reviews the financial reporting process by the management, internal auditors, Joint Statutory Auditors and the Comptroller and Auditor General of India. The Committee recommends the appointment/ re-appointment of Statutory Auditors and their Audit fees. It reviews the adequacy of internal audit controls, significant internal audit findings/ related party transactions, audit finding of the Statutory Auditors etc. The Committee is a link between Statutory Auditors and the Board of Directors of the Company.

ii. Nomination & Remuneration Committee

The Nomination and Remuneration Committee was constituted by the Board in its meeting held on 22nd April, 2014 to carry on functions enshrined in Section 178 of the Companies Act, 2013 (18 of 2013, hereinafter "Act") read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 (hereinafter "the Rules").

a) Composition

The composition of the Nomination & Remuneration Committee is as follows as on 31st March, 2018:

Name of the Directors	Designation	Category
Shri Ashok Pradhan	Chairman	Independent Director
Shri Dinesh Kumar Khara	Member	Non Executive, Non Independent Director
Shri M. K Garg	Member	Independent Director
Shri Alp Altun	Member	Non-Executive, Non Independent Director

b) Meetings held

During the year under review the Nomination and Remuneration Committee met 6 (Six) times on the following dates:

8 th June, 2017	16 th October, 2017
23 rd June, 2017	7 th January, 2018
4 th September, 2017	22 nd March, 2018

Necessary quorum was present at all the meetings of the Nomination and Remuneration Committee.

c) Attendance

The details of attendance at the Nomination and Remuneration Committee Meetings held during the year under review are as follows:

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri Ashok Pradhan	6	6
Shri M. K Garg	6	6
Shri Dinesh Kumar Khara	6	6
Shri Alp Altun	6	6

iii. Investment Committee

The role of Investment Committee is crucial in managing the investments of the Company. The Constitution and the Terms of reference of the Committee are in compliance with the requirements of the IRDAI (Investment) Regulations, 2000, as amended, and the Corporate Governance Guidelines for Insurance Companies issued by IRDAI. The Investment Committee of the Board reviews the Investment Policy of the Company based on the performance of investments and the evaluation of dynamic market condition. It ensures proper implementation of the Policy and operational framework of the investment operations. The committee takes care of the liquidity for smooth operations, compliance with prudential regulatory norms on investments, risk management/ mitigation strategies to ensure commensurate yield on investments and above all protection of policyholders' funds.

a) Composition

The composition of the Investment Committee is as per Regulation 9(1) of the IRDAI (Investment). Regulations read with IRDAI Guidelines on Corporate Governance is as follows as on 31st March, 2018:

Name of the Director/Members	Designation	Category
Shri Dinesh Kumar Khara	Chairman	Non Executive, Non Independent Director
Shri P.K. Gupta*	Member	Non Executive, Non Independent Director
Shri D. Sundaram	Member	Independent Director
Shri Alp Altun	Member	Non Executive, Non Independent Director
Shri Pushan Mahapatra	Member	Managing Director & CEO
Shri Rikhil Shah	Member	Chief Financial Officer
Shri Atul Deshpande	Member	Chief Risk Officer
Shri Samrendra Kumar	Member	Chief Investment Officer
Ms. Gayle Adams	Member	Appointed Actuary

*Shri P.K. Gupta was appointed as Member of the Committee w.e.f 22nd March, 2018.

b) Meetings held

During the year under review the Investment Committee met 4 (Four) times on the following dates:

2 nd May, 2017	16 th October, 2017
29 th July, 2017	16 th January, 2018

Necessary quorum was present at all the meetings of the Investment Committee.

c) Attendance

The details of attendance at the Company's Investment Committee Meetings held during the year under review are as follows:

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri Dinesh Kumar Khara	4	4
Shri Rajnish Kumar*	4	0
Shri P.K. Gupta **	0	0
Shri D. Sundaram	4	4
Shri Alp Altun	4	4
Shri Pushan Mahapatra	4	4
Shri Rikhil Shah	4	4
Shri Atul Deshpande	4	4
Shri Samrendra Kumar	4	4
Ms. Gayle Adams	4	4

*Shri Rajnish Kumar ceased to be the member of the Committee w.e.f 22nd March, 2018.

**Shri P.K. Gupta was appointed as Member of the Committee w.e.f 22nd March, 2018.

The Chief Investment Officer of the Company acts as Secretary to the Investment Committee.

iv. Policyholders' Protection Committee

The Policyholders' Protection Committee of the Board of Directors of the Company was constituted pursuant to the Corporate Governance Guidelines issued by IRDAI. The Committee reviews the process being followed by the Company in redressal of complaints/ grievances from Policyholders. The Policyholders' Protection Committee reviews the status of the Complaints received from the policyholders at periodic intervals. The Reports of the Policyholders' Protection Committee are submitted to the Board in its subsequent meetings.

a) Composition

The composition of the Policyholders' Protection Committee as on 31st March, 2018 is as follows:

Name of the Director	Designation	Category
Shri Dinesh Kumar Khara	Chairman	Non Executive, Non Independent Director
Shri P.K. Gupta*	Member	Non Executive, Non Independent Director
Shri M. K. Garg	Member	Independent Director
Shri Alp Altun	Member	Non Executive, Non Independent Director
Shri Pushan Mahapatra	Member	Managing Director & CEO

*Shri P.K. Gupta was appointed as Member of the Committee w.e.f 22nd March, 2018.

The Terms of reference of the Committee are in compliance with the Corporate Governance Guidelines for Insurance Companies issued by IRDAI.

b) Meetings held

During the year under review the Policyholders' Protection Committee met 4 (four) times on the following dates:

2 nd May, 2017	16 th October, 2017
29 th July, 2017	16 th January, 2018

Necessary quorum was present at all the meetings of the Policyholders' Protection Committee.

c) Attendance

The details of attendance at the Company's Policyholders' Protection Committee Meetings held during the year under review are as follows:

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri Dinesh Kumar Khara	4	4
Shri Rajnish Kumar*	4	0
Shri P.K. Gupta**	0	0
Shri Alp Altun	4	4
Shri M. K. Garg	4	4
Shri Pushan Mahapatra	4	4

*Shri Rajnish Kumar ceased to be the member of the Committee w.e.f 22nd March, 2018.

**Shri P.K. Gupta was appointed as member of the Committee w.e.f 22nd March, 2018.

The Company Secretary of the Company acts as Secretary to the Policyholders' Protection Committee.

V. Risk Management Committee

The Risk Management Committee of the Board of Directors of the Company was constituted pursuant to the Corporate Governance Guidelines issued by IRDAI. The Risk Management Committee is responsible for setting up a strong Risk Management System and mitigation strategies to manage the various risks across the organisation.

a) Composition:

The composition of the Risk Management Committee as on 31st March, 2018 is as follows:

Name of the Director	Designation	Category
Shri Dinesh Kumar Khara	Chairman	Non Executive, Non Independent Director
Shri P.K. Gupta*	Member	Non Executive, Non Independent Director
Shri Ashok Pradhan	Member	Independent Director
Shri Alp Altun	Member	Non Executive, Non Independent Director
Shri Pushan Mahapatra	Member	Managing Director & CEO

*Shri P.K. Gupta was appointed as Member of the Committee w.e.f 22nd March, 2018.

The Terms of reference of the Committee are in compliance with the Corporate Governance Guidelines for Insurance Companies issued by IRDAI.

b) Meetings held

During the year under review the Risk Management Committee met 5 (Five) times on the following dates:

8 th June, 2017	16 th October, 2017
23 rd June, 2017	16 th January, 2018
29 th July, 2017	

Necessary quorum was present at all the meetings of the Risk Management Committee.

c) Attendance

The details of attendance at the Company's Risk Management Committee Meetings held during the year under review are as follows:

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri Dinesh Kumar Khara	5	5
Shri Rajnish Kumar*	5	0
Shri P.K. Gupta**	0	0
Shri Alp Altun	5	5
Shri Ashok Pradhan	5	5
Shri Pushan Mahapatra	5	5

*Shri Rajnish Kumar ceased to be the member of the Committee w.e.f 22nd March, 2018.

**Shri P.K. Gupta was appointed as member of the Committee w.e.f 22nd March, 2018.

vi) Bancassurance Committee

The Bancassurance Committee of the Board of Directors of the Company was constituted in order to establish better synergy and communication points with multiple streams of SBI and Associate Banks for drawing group-wide distribution strategy of the insurance products & for pricing and service efficiency. The Committee provides strategic direction for the development of general insurance initiatives for SBI bank channel, ensures alignment of SBI & the Company's target numbers by facilitating active involvement in the Company's Annual Business planning exercise.

a) Composition

The composition of the Bancassurance Committee as on 31st March, 2018 is as follows:

Name of the Directors/Members	Designation	Category
Shri Dinesh Kumar Khara	Chairman	Non-Executive, Non Independent Director
Shri P.K. Gupta*	Member	Non-Executive, Non Independent Director
Shri Alp Altun	Member	Non-Executive, Non Independent Director
Shri Pushan Mahapatra	Member	Managing Director & CEO
Shri K.V. Haridas**	Member	DMD-Retail, SBI
Shri J. Packirisamy	Member	DMD-MCG, SBI

*Shri P.K. Gupta was appointed as member of the Committee w.e.f 22nd March, 2018.

** Shri K.V. Haridas was appointed as member of the Committee w.e.f 29th July, 2017.

The Company Secretary of the Company act as the Secretary to the Bancassurance Committee.

b) Meetings held

During the year under review the Bancassurance Committee met 4 (four) times on the following dates:

8 th June, 2017	16 th October, 2017
29 th July, 2017	8 th February, 2018

c) Attendance

The details of attendance at the Company's Bancassurance Committee Meetings held during the year under review are as follows:

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri Dinesh Kumar Khara	4	4
Shri Rajnish Kumar*	4	0
Shri P.K. Gupta**	0	0
Shri Alp Altun	4	4
Shri Pushan Mahapatra	4	4
Shri Neeraj Vyas, DMD & COO (NBG), SBI***	2	1
Shri J. Packirisamy, DMD (MCG), SBI	4	1
Shri K.V. Haridas, DMD- Retail, SBI****	2	0

*Shri Rajnish Kumar ceased to be the member of the Committee w.e.f 22nd March, 2018.

**Shri P.K. Gupta was appointed as member of the Committee w.e.f 22nd March, 2018.

***Shri Neeraj Vyas ceased to be the member of the Committee w.e.f 29th July, 2017.

****Shri K.V. Haridas was appointed as member of the Committee w.e.f 29th July, 2017.

vii. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board of Directors of the Company was constituted on 22nd April, 2014 to formulate and recommend to the Board, CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013, review and recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company and monitor the CSR policy of the Company from time to time

a) Composition

The composition of the Corporate Social Responsibility Committee as on 31st March, 2018 is as follows:

Name of the Director	Designation	Category
Shri Ashok Pradhan	Chairman	Non Executive, Independent Director
Shri P.K. Gupta*	Member	Non Executive, Non Independent Director
Shri Dinesh Kumar Khara	Member	Non Executive, Non Independent Director
Shri Alp Altun	Member	Non Executive, Non Independent Director
Shri Pushan Mahapatra	Member	Managing Director & CEO

*Shri P.K. Gupta was appointed as member of the Committee w.e.f 22nd March, 2018

The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility Committee.

b) Meetings held

During the year under review the Corporate Social Responsibility Committee met on 16th October, 2017 & 8th February, 2018.

c) Attendance

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri. Ashok Pradhan	2	2
Shri Rajnish Kumar*	2	0
Shri P.K. Gupta**	0	0
Shri Dinesh Kumar Khara	2	2
Shri Alp Altun	2	2
Shri Pushan Mahapatra	2	2

*Shri Rajnish Kumar ceased to be the member of the Committee w.e.f 22nd March, 2018.

**Shri P.K. Gupta was appointed as member of the Committee w.e.f 22nd March, 2018.

viii. Technology Committee

The Technology Committee of the Board of Directors of the Company was constituted on 4th February, 2015 to support/advise the Board of Directors of SBI General Insurance Company Ltd in Implementing a strategic IT planning process that is integrated with the business strategy, measure and manage the amount spent on and the value received from technology initiatives, enable IT to add value to the business and mitigate risks and to be responsible for directing, controlling and measuring the IT activities of the Company.

a) Composition

The composition of the Technology Committee as on 31st March, 2018 is as follows:

Name of the Directors	Designation	Category
Shri D. Sundaram	Chairman	Non Executive, Independent Director
Shri P.K. Gupta*	Member	Non Executive, Non Independent Director
Shri Dinesh Kumar Khara	Member	Non Executive, Non Independent Director
Shri Alp Altun	Member	Non Executive, Non Independent Director
Shri Pushan Mahapatra	Member	Managing Director & CEO

*Shri P.K. Gupta was appointed as member of the Committee w.e.f 22nd March, 2018

The Head of IT of the Company acts as Secretary to the Technology Committee.

b) Meetings held

During the year under review the Technology Committee met 6 (Six) times on the following dates:

2 nd May, 2017	4 th September, 2017
23 rd June, 2017	5 th October, 2017
16 th August, 2017	16 th January, 2018

c) Attendance

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri. D. Sundaram	6	6
Shri Rajnish Kumar*	6	1
Shri P.K. Gupta**	0	0
Shri Dinesh Kumar Khara	6	6
Shri Alp Altun	6	6
Shri Pushan Mahapatra	6	6

*Shri Rajnish Kumar ceased to be the member of the Committee w.e.f 22nd March, 2018.

**Shri P.K. Gupta was appointed as member of the Committee w.e.f 22nd March, 2018

Shri Ashok Pradhan and Shri M.K Garg attended the Technology Committee of the Board held on 16th August, 2017 as special invitees.

ix. HR Committee

The HR Committee of the Board of Directors of the Company was re-constituted on 21st April, 2015 for the purpose of reviewing SBI General's HR Policies and recommending new policies in future to the Board.

a) Composition

The composition of the HR Committee as on 31st March, 2018 is as follows:

Name of the Directors	Designation	Category
Shri D. Sundaram	Chairman	Non Executive, Independent Director
Shri Pushan Mahapatra	Member	Managing Director & CEO
Ms. Lisa Jeffery*	Member	Deputy CEO

*Ms. Lisa Jeffery was appointed as member of the Committee w.e.f 7th January, 2018.

The Company Secretary of the Company acts as Secretary to the HR Committee.

b) Meetings held

During the year under review the HR Committee met 2 (two) times on 8th June, 2017 & 22nd March, 2018.

c) Attendance

Members	Total Meetings held during the tenure	No. of Meetings Attended
Shri. D. Sundaram	2	2
Shri Pushan Mahapatra	2	2
Shri Andrew Farlow*	1	1
Ms. Lisa Jeffery**	1	1

*Shri Andrew Farlow ceased to be the member of the Committee w.e.f 22nd December, 2017.

**Ms. Lisa Jeffery was appointed as member of the Committee w.e.f 7th January, 2018.

x. Independent Director's Meeting

The code of conduct for Independent Directors prescribed vide Schedule IV of the Companies Act, 2013, provides for an evaluation mechanism for the Board/Chairperson/Non-executive Directors/ Whole-time Directors which would need to be done at a separate Meeting of Independent Directors, without the attendance of Non-independent Directors and members of management.

Independent Directors of the Company met on 3rd May, 2017 for FY 2017-18 without the presence of Executive Directors, Non- executive Directors and management personnel to inter-alia discuss the framework for evaluation of Directors.

4. DETAILS OF DIRECTORS' REMUNERATION (2017-18)

Remuneration of Independent Directors:

The details of the Sitting Fees paid to the Independent Directors of the Company during the year 2017-18 is as follows:

Directors	Board Fee (in ₹)	Other Committee Fee (in ₹)	Total (in ₹)
Shri Ashok Pradhan	365,000	540,000	905,000
Shri M. K. Garg	365,000	460,000	825,000
Shri D. Sundaram	365,000	480,000	845,000
Smt. Smeeta Bhatkal	105,000	-	105,000

5. GENERAL BODY MEETINGS (During the previous three financial years):

The details of the Annual General Meeting and the Extra Ordinary General Meetings held during the previous three financial years are as under:

Year	EGM/ AGM	Date	Venue	Business Transacted by Special Resolution
2017-18	EGM	07-01-2018	“Meeting room” Hotel Trident, Amber Fort road, Jaipur, Rajasthan 302002	Special Resolution was passed by the Members in this Meeting
2017-18	EGM	16-10-2017	10 th Floor, “Maurya”, Corporate Centre, State Bank Bhavan, Nariman Point, Mumbai- 400021	Special Resolution was passed by the Members in this Meeting
2017-18	AGM	15-09-2017	10 th Floor, “Mughal”, Corporate Centre, State Bank Bhavan, Nariman Point, Mumbai- 400021	No Special Resolution was passed by the Members in this Meeting
2016-17	EGM	22-11-2016	10 th Floor, “Chola”, Corporate Centre, State Bank Bhavan, Nariman Point, Mumbai- 400021	Special Resolution was passed by the Members in this Meeting
2016-17	AGM	22-07-2016	15 th Floor, Conference Room, Corporate Centre, State Bank Bhavan, Nariman Point, Mumbai- 400021	No Special Resolution was passed by the Members in this Meeting
2016-17	EGM	30-06-2016	17 th Floor, Conference Room, Corporate Centre, State Bank Bhavan, Nariman Point, Mumbai- 400021	No Special Resolution was passed by the Members in this Meeting
2015-16	EGM	21-03-2016	Natraj, 301, Junction of Western Express Highway & Andheri Kurla Road, Andheri (East), Mumbai – 400069.	No Special Resolution was passed by the Members in this Meeting
2015-16	AGM	4-08-2015	Conference Room, 19 th Floor, Corporate Centre, State Bank Bhavan, Nariman Point, Mumbai- 400021	No Special Resolution was passed by the Members in this Meeting

6. RECORDING OF THE MINUTES AND PROCEEDINGS OF VARIOUS MEETINGS:

The Company Secretary of the Company is responsible for recording the Minutes and proceedings of various meetings of the Board, General Meetings of the Members and the Meetings of the Committees of the Board (except Investment Committee and Technology Committee wherein the Chief Investment Officer and Head-IT & CIO acts as the member secretary of the Committee respectively and records the minutes and proceedings of the Committee meetings). The finalised Minutes and proceedings of the meetings are entered into the Minutes Book within 30 days from the conclusion of the meeting.

7. SUBSIDIARY COMPANY:

The Company does not have any subsidiary companies.

8. DISCLOSURE REGARDING DIRECTOR SEEKING RE- APPOINTMENT

Shri Alp Altun, IAG Nominee Director is liable to retire by rotation at the forthcoming Annual General Meeting of the Company and is eligible for re-appointment. The detailed information about the Director being re-appointed forms part of Annexure (I) to this Report and therefore is not separately mentioned here.

9. DISCLOSURES

There were no materially significant related party transactions with the promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in the Notes to the Accounts forming part of the Annual Report.

There were no cases of non-compliance with IRDAI regulations, nor any cases of penalties or strictures imposed by any statutory authority for any violation related to the capital market during the period under review.

The Company has a Whistle Blower Policy duly approved by the Board of Directors and any employee, if he/ she desires, has free access to meet or communicate with the Senior Management and report any matter of concern.

All the mandatory requirements of Corporate Governance Guidelines issued by the IRDAI as amended from time to time are complied with. A certificate by the Compliance Officer is placed alongside at **Annexure (II)**.

10. COMPANY SECRETARY & COMPLIANCE OFFICER

Name: Shri Mahendra K. Tripathi
 Address: 101, 201 & 301, Junction of Western Express Highway & Andheri - Kurla Road, Andheri (East), Mumbai 400069
 Contact No.: +91-22-42412070
 E-mail: mahendra.tripathi@sbigeneral.in
 Fax: +91-22-42412071

11. GENERAL INFORMATION

Date of Incorporation: 24th February, 2009
 CIN No.: U66000MH2009PLC190546
 IRDAI Registration No.: 144
 Date & Venue of Annual General Meeting: 5th September, 2018
 State Bank Bhavan, Corporate center,
 Madame Cama Road, Nariman Point,
 Mumbai – 400021.

12. DISTRIBUTION OF SHAREHOLDING:

The Details of Shareholding pattern of the Company as at 31st March, 2018 is as under:

Sr. No.	Name of the Member	No. of Shares held	Percentage (% of holding)
1	State Bank of India	159,469,950	73.99
2	IAG International Pty Ltd.	56,030,000	26.00
3	Shri Dinesh Kumar Khara*	10	0.0000067
4	Shri Pushan Mahapatra*	10	0.0000067
5	Shri Ravi Nandan Sahay*	10	0.0000067
6	Shri K. Pradeep*	10	0.0000067
7	Shri Rajiv Kumar Saxena *	10	0.0000067
Total		215,500,000	100%

* Shares held as SBI Nominee

13. COMPANY'S ADDRESS

Registered Office & Corporate Office:
 (Correspondence Address)

Natraj, 101, 201 & 301,
 Junction of Western Express Highway & Andheri Kurla Road,
 Andheri (East), Mumbai – 400069.

Annexure 1 to the Corporate Governance Report

Details of the Directors of the Company:

NAME	Shri Rajnish Kumar
QUALIFICATION	M. Sc. (Physics)
SPECIALISATION	Banking
BRIEF DETAILS	<p>Shri Rajnish Kumar, is a nominee Director on the Board of our Company, w.e.f. 26th April, 2016.</p> <p>Shri Rajnish Kumar assumed charge as Chairman, SBI on 7th October, 2017. Prior to this, he was holding charge as Managing Director (NBG) of State Bank of India from 2nd November, 2015. Prior to this, he was holding charge as Managing Director (Compliance & Risk) of State Bank of India from 26th May, 2015. Shri Rajnish Kumar was heading SBI Capital Markets Ltd. (the Merchant Banking arm of State Bank of India) as Managing Director & Chief Executive Officer, prior to becoming Managing Director in SBI.</p> <p>Shri Rajnish Kumar has been with the State bank of India for over three decades, having joined the Bank as a Probationary officer in 1980. An M. Sc. in Physics, apart from CAIIB, Shri Rajnish Kumar has held several key assignments across various business verticals, including two overseas assignments in Canada and U.K. He has vast experience in handling large credit, project finance, foreign exchange and retail banking . Shri Kumar has held such important positions as Dy. General Manager, Pune Zone; General Manager (NW-II), Mumbai; Regional Head, SBI (UK); Chief General Manager, North East Circle and Chief General Manager, Project Finance.</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • State Bank of India • SBI Foundation • SBI Life Insurance Company Ltd. • SBI Capital Markets Ltd • SBI Cards & Payment Services Pvt. Ltd. • Export – Import Bank of India – Director. • National Institute of Bank Management. • Khadi & Village Industries Commission . • Indian Institute of Banking & Finance • National Cooperative Development Corporation (A Statutory Corporation under Ministry of Agriculture, Govt. of India) – Member General Council.

NAME	Shri P.K. Gupta
QUALIFICATION	ACS from Institute of Company Secretaries of India
SPECIALISATION	Banking and Financial Services
BRIEF DETAILS	<p>Shri P.K. Gupta, is a nominee Director on the Board of our Company, w.e.f. 22nd March, 2018.</p> <p>Mr. P.K. Gupta is Managing Director of State Bank of India since 2nd November, 2015. Currently, he looks after Retail Banking and latest initiatives in Payments & Digital Banking. Prior to this, Mr. Gupta was the Managing Director looking after Compliance & Risk in the Bank. Mr. Gupta joined State Bank of India in the year 1982. He has held a number of very important assignments in the bank in India and abroad. Mr. Gupta is a past Chairman of Forex Exchange Dealers Association of India (FEDA). He is also a member of Technical Advisory Committee of RBI on Financial Markets.</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • State Bank of India • SBI Foundation

NAME	Shri Dinesh Kumar Khara
QUALIFICATION	M. Com & MBA
SPECIALISATION	Banking
BRIEF DETAILS	<p>Shri Dinesh Kumar Khara, is a SBI Nominee Director on the Board of our Company, w.e.f 21st October, 2016. Shri Khara is presently the Managing Director (RI&S), SBI. Prior to being appointed as Managing Director of State Bank of India, Shri Khara was the MD & CEO of SBI Funds Management Pvt. Ltd. (SBIMF). Under his leadership the Company leaped one position up and became the 5th largest Mutual Fund in India with total AUM of about ₹1,30,000 crore by improving its market share to 8.8% from 7%. As Chief General Manager – Bhopal Circle, State Bank of India, he was responsible for managing around 1400 branches and handling deposits and advances portfolio of approx. ₹1.51 lakh crore.</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • State Bank of India • SBI Capital Markets Ltd. • SBI Cap Securities Ltd. • SBI CAPS Ventures Ltd. • SBI Foundation • SBI DFHI Ltd. • SBI Global Factors Ltd. • SBI Funds Management Private Ltd. • SBI Cards and Payment Services Private Ltd. • SBI Pension Funds Private Ltd. • SBI Life Insurance Company Ltd. • SBICAP (UK) Ltd. • SBICAP (Singapore) Ltd. • SBI Infra Management Solutions Private Ltd.

NAME	Shri Duncan Victor Brain
QUALIFICATION	Master of Business Administration, Bachelor of Applied Science
SPECIALISATION	Insurance
BRIEF DETAILS	<p>Shri Duncan Brain was appointed as IAG's Chief Executive Officer, Asia in October, 2013, responsible for managing the Group's interests in Thailand, Malaysia, Vietnam, Singapore, China and India and further exploration of opportunities in Indonesia. He has more than nine years experience in living and working in Asia, and has been with IAG for 16 years.</p> <p>Prior to this appointment, Duncan was IAG's Deputy CEO and COO Asia, responsible for the management and operational developments across the region. From 2010-2012 he was CEO of AmGeneral (Malaysia). During this time, AmGeneral acquired Kurnia, the largest motor insurer in Malaysia. Prior to moving to Asia, Duncan was General Manager of Swann Insurance in Australia for approximately five years. He has 26 years' of experience in the insurance industry working in actuarial, product and underwriting, reinsurance and general management.</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • IAG (Asia) General Pte. Ltd. – Singapore • NHCT Ltd. • NHCT Holding (Thailand) Company Ltd • Safety Insurance Public Company Ltd. • AmGeneral Holdings Berhad (formerly AmG Insurance Berhad) – Malaysia • AmGeneral Insurance Berhad (Formerly known as Kurnia Insurance (Malaysia) Berhad Malaysia • Thailand Insurance Holdings Pty. Ltd. – Australia • Safety Thailand Holdings Pty. Ltd. Australia • Bohai Property Insurance Co. Ltd.

NAME	Shri Alp Altun
QUALIFICATION	B.A. in Business Administration from the University of Applied Sciences Wilhelmshaven, in Germany with majors in Organisation, HR Management and Marketing
SPECIALISATION	Finance and Insurance
BRIEF DETAILS	<p>Shri Alp Altun was appointed as Director on the Board of SBI General on 8th December, 2016. Shri Altun, has 18+ years of experience working in China and APAC, out of which 10 years direct management experience in manufacturing and 8 years in the service industry. He is an experienced leader in general management, business development, brand and marketing management in multiple sectors.</p> <p>He has also delivered lecture on Strategy, Operations Management and HR/Leadership Management at the School of Continuing Education of renowned Shanghai Jiao Tong University as well as through various other platforms.</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • Best Practices Holdings Co. Ltd. • China Clippers Holdings Co. Ltd. • Asia Medical Holdings Co. Ltd.

NAME	Shri Ashok Pradhan
QUALIFICATION	M. Com., LL. B., CAIIB, Diploma in Management Accounting
SPECIALISATION	Investment, Finance and Insurance
BRIEF DETAILS	<p>Shri Ashok Pradhan served as Chairman-Cum-Managing Director of New India Assurance Co. Ltd., Mumbai. Prior to this, he worked in “New India” and “General Insurance Corporation of India” for over 30 years in various capacities. Shri Pradhan had worked as Managing Director and Chief Executive of GIC Asset Management Company and GIC Mutual Fund, Secretary General of General Insurers Public Sector Association of India (GIPSA), Director of various Express Group of Companies, Promoter Director of AMFI etc. Shri Pradhan specialises in Investment, Finance, Primary & Secondary Capital Market Operations, Asset Management and General Insurance (Domestic and International Operations).</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • NIL

NAME	Shri M. K. Garg
QUALIFICATION	Chartered Accountant/ FIII
SPECIALISATION	Finance & Administration
BRIEF DETAILS	<p>Shri Mahender Kumar Garg is a Fellow of Insurance Institute of India and a Chartered Accountant. Shri Garg led the United India Insurance Company Ltd. as its CMD from December, 2004 to July, 2007. Shri Garg joined the New India Assurance Company in 1976 as AAO and worked up to the level of AGM in various Regional offices in Kanpur, Delhi, Bhopal, Jaipur, Chandigarh upto 2001. He worked as General Manager of New India Assurance Company Ltd. at Mumbai Head Office from December, 2001 to November, 2004, looking after Investment, Accounts, Grievances, Technical Department & Member of Head Office Claims Committee.</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • Rolesoft Mercantile Co. Pvt. Ltd. • Instant Creations Pvt. Ltd. • GIC Housing Finance Ltd.

NAME	Shri D. Sundaram
QUALIFICATION	B. Com, Masters in Management Studies, FCWA
SPECIALISATION	Finance
BRIEF DETAILS	<p>Shri D. Sundaram, is an Independent Director of the Company, w.e.f 12th December, 2014. Shri D. Sundaram, is Vice Chairman and Managing Director of TVS Capital Funds Ltd. He is a qualified Cost Accountant from ICWA. He holds a Post-graduate degree in Management studies from Madras University. He attended Advanced Management Program at Harvard Business School. He carries a rich experience in the area of Finance and Accounting. He has held many important positions in Hindustan Unilever Ltd. (HUL) group such as Vice-Chairman & CFO, Corporate Accountant, Commercial Manager and Treasurer, Finance Member, TOMCO Integration Team, and Finance Director, Brooke Bond Lipton India Ltd. He had also held various positions in Unilever Ltd., London as Commercial Officer for Africa and Middle East and Senior Vice President – Finance, Central and Middle East Group. He is a two-time winner of the prestigious “CFO of the Year for FMCG Sector” award by CNBC TV18 (2006 and 2009).</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • TVS Capital Funds Ltd. • TVS Electronics Ltd. • Infosys Ltd. • GlaxoSmithKline Pharmaceuticals Ltd. • 9.9 Group Private Ltd. • Institute of Financial Management and Research-Member Board of Governance • Crompton Greaves Consumer Electricals Ltd. • TVS Wealth Private Ltd.

NAME	Smt. Smeeta Bhatkal
QUALIFICATION	Management graduate from IIM, Ahmedabad
SPECIALISATION	Investment Banking and Financial Services
BRIEF DETAILS	<p>Prof. Smeeta Bhatkal, is an Independent Director on the Board of our Company, w.e.f. 7th January, 2018.</p> <p>Prof. Smeeta Bhatkal is currently Dean - Banking, Financial Services & Insurance (BFSI) at Welingkar Institute of Management Development and Research, Mumbai. She is a management graduate from IIM, Ahmedabad. She has 16 years of experience in Investment Banking and Financial Services having been with the ICICI group for 9 years. She has vast experience in financial structuring, capital raising, mergers and acquisitions, private equity and corporate advisory services. She also has 16 years of experience in teaching Indian as well as International MBA students as well as for Corporate Programs. She has completed the Morgan Finance Program at J P Morgan, New York and the GCPCL Program at Harvard Business School, Boston.</p>
STATUS OF DIRECTORSHIP	<ul style="list-style-type: none"> • SBI DFHI Ltd.

NAME

Shri Pushan Mahapatra

QUALIFICATION

B.A.

SPECIALISATION

Banking

BRIEF DETAILS

Shri Pushan Mahapatra joined the Board as Managing Director & CEO on 1st January, 2016. Shri Mahapatra started his banking career in 1985 as a Probationary Officer with State Bank of India. During his career of 33 years with SBI, he held several important assignments in India and abroad. In the year 2000 he was in-charge of IT, Risk and Compliance at SBI Hong Kong. He returned to India in 2005 as AGM & Relationship Manager, Corporate Accounts Group, Ahmedabad branch. He shifted to Mumbai to SBI's Global IT Centre and handled IT functions of the Bank's international operations. Subsequently, he headed the Enterprise Data Warehouse Project of State Bank Group. Prior to being deputed at SBIG, he was designated as DGM, Business and Operations, Burdwan Module in Bengal Circle heading the operations of the Bank spread over 242 branches.

**STATUS OF
DIRECTORSHIP**

- NIL

Annexure (II) To The Corporate Governance Report (FY 2017-18)

“CERTIFICATION FOR COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES”

I, Mahendra K. Tripathi, hereby certify that the Company has complied with the Corporate Governance Guidelines issued by Insurance Regulatory & Development Authority of India for Insurance Companies, as amended from time to time, and nothing has been concealed or suppressed to the best of my knowledge.

Mahendra K. Tripathi
Head – Compliance, Legal & Company Secretary
SBI General Insurance Company Limited
Mumbai

Certificate by CEO & CFO

To
The Board of Directors
SBI General Insurance Company Limited

Certificate

As required under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the extent applicable to SBI General Insurance Co. Ltd., we certify that:-

- a. We have reviewed Financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:-
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and that we have disclosed to the auditors deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:-
 - i. Significant changes in internal control over financial reporting, if any, during the year;
 - ii. Significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we became aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(Pushan Mahapatra)
MD & CEO

(Rikhil Shah)
SVP & CFO

Date: 26th April, 2018

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,
 The Members,
 SBI General Insurance Company Limited

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st Marchst, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
- iii. Insurance Act, 1938 (amended till date) and Insurance Rules, 1939;
- iv. Insurance Regulatory and Development Authority Act 1999, and Rules & Regulation, Circular and Notifications etc issued by the IRDAI there under;
- v. The Depositories Act, 1996 and the Regulations and By -laws framed thereunder;
- vi. Foreign Exchange Management Act, 1999 (‘FEMA’) and the Rules and Regulations made thereunder to the extent applicable;
- vii. The following Regulations and Guidelines prescribed

under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) are **not applicable** to the company:-

- a. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Amongst the various laws which are applicable to the Company, following are the laws which are specifically applicable to the Company:

1. Anti-Money Laundering Regulation issued by IRDAI and various Circulars and Guidelines thereunder;
2. The States Shops and Establishment Act
3. Tax Laws:
 - Value Added Tax (VAT) Act. (upto 30th June, 2017)
 - The Finance Act, 1994 (Service Tax) (upto 30th June, 2017)
 - Professional Tax Act.
 - Income Tax Act, 1961
 - The Central Goods and Service Tax Act, 2017 (w.e.f. 01st July, 2017)
 - The States Goods and Service Tax Acts, 2017 (w.e.f. 01st July, 2017)
 - Integrated Goods and Service Tax Act, 2017 (w.e.f. 01st July, 2017)
 - The Union Territory Goods and Service Tax Act, 2017 (w.e.f. 01st July, 2017)

4. Employee Laws:

- Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972;
 - Payment of Bonus Act, 1965, and Payment of Bonus Rules, 1975
 - Payment of Wages Act, 1936;
 - Minimum Wages Act, 1948;
 - Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & the scheme provided thereunder;
 - Employees' State Insurance Act 1948;
 - The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
 - The Maternity Benefit Act, 1961;
 - The Contract Labour (Regulation & Abolition) Act, 1970 & Rules;
 - Child Labour (Prohibition and Regulation) Act, 1986;
 - The Apprentices Act, 1961 and Apprenticeship Rules, 1991 under the above Rules;
 - Labour Welfare Fund Act
 - Equal Remuneration Act, 1976
 - Workmen's Compensation Act, 1923
 - Employment Standing Orders Act, 1946
6. Indian Stamp Act, 1899 and the State Stamp Acts;
 7. Copyright Act, 1957;
 8. Prevention of Money Laundering Act, 2002
 9. Trademarks Act, 1999
 10. Indian Contract Act, 1872
 11. Negotiable Instruments Act, 1881
 12. Information Technology Act, 2000
 13. Whistle Blowers Protection Act, 2011
 14. Registration Act, 1908;
 15. Limitation Act, 1963;
 16. The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)

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

We further report that the Board of Directors of the

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

Adequate notice is given to all Directors to schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent adequately in advance of the meetings, in case of less than seven days the Company has taken shorter notice consent from Directors/ Members of the Board/Committees, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes where applicable. All the decisions have been taken unanimously and no dissent recorded in Board Meetings.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines. All the notices and orders received by the Company pursuant to the above Laws Rules, Regulations and Guidelines has been adequately dealt with/ duly replied/ complied with.

For M/s. N. L. Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH0055800

N.L. Bhatia
Managing Partner
FCS No: 1176
C P No.: 422

Place: Mumbai
Date: July 11, 2018

Annexure 5 to Directors Report 2017-18

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U66000MH2009PLC190546
2.	Registration Date	24/02/2009
3.	Name of the Company	SBI General Insurance Company Limited
4.	Category/Sub-category of the Company	General Insurance
5.	Address of the Registered office & contact details	"Natraj" 101, 201 & 301, Junction of Western Express Highway & Andheri Kurla Road, Andheri (East), Mumbai – 400069
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NIL

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Non- Life Insurance(General Insurance)- Gross Premium Received	6512	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary	% of shares held	Applicable Section
1.	State Bank of India	NA	Holding Entity	74	2(87)(ii)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	50	50	0.01	-	50	50	0.01	
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	-	159469950	159469950	73.99	-	159469950	159469950	73.99	
e) Banks/FI									
f) Any other									
Sub-Total (A)(1)	-	159470000	159470000	74	-	159470000	159470000	74	
(2) Foreign									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	-	56030000	56030000	26.00	-	56030000	56030000	26.00	
e) Banks/FI									
f) Any other									
Sub- Total (A)(2)	-	56030000	56030000	26.00	-	56030000	56030000	26.00	
Total shareholding of Promoter (A) = (A) (1) + (A) (2)		215500000	215500000	100		215500000	215500000	100	
B. Public Shareholding		NIL				NIL			
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non- Institutions		NIL				NIL			
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-									
Total Public Shareholding (B) = (B) (1) + (B) (2)									
C. Shares held by Custodian for GDRs & ADRs		NIL				NIL			
Grand Total (A+B+C)		215500000	215500000	100		215500000	215500000	100	

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	State Bank of India	159469950	74	-	159469950	74	-	0
2.	IAG International Pty. Ltd.	56030000	26		56030000	26	-	0

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	SBI, 159470000	74	159470000	74
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	No Change		No change	74
	At the end of the year	159470000	74	159470000	74
2.	At the beginning of the year	IAG International Pty. Ltd. 56030000	26	56030000	26
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	No Change		No Change	26
	At the end of the year	56030000	26	56030000	26

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the Beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NIL		NIL	
2.	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	NIL		NIL	
3.	At the end of the year	NIL		NIL	

(v) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the Beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Pushan Mahapatra				
	At the beginning of the year	10	-	10	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	0	-	0	-
	At the end of the year	10	-	10	-
2.	Shri Dinesh Kumar Khara				
	At the beginning of the year	10	-	10	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/ sweat equity etc.):	0	-	0	-
	At the end of the year	10	-	10	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment- NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Shri Pushan Mahapatra, MD&CEO	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,942,394	3,942,394
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	692,640	692,640
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5.	Others, please specify	-	-
	A) Halting Allowance	-	-
	B) Home Telephone Expenses	17,795	17,795
	C) Car Hired Charges Paid Directly	24,826	24,826
	D) Driver's Salary	622,262	622,262
	E) Other Allowances Paid Directly	-	-
	F) Directly Paid SBIGIC	-	-
	G) Provision for Salary	-	-
	F) Car Hire	-	-
	Total (A)	5,299,916	5,299,916

Ceiling as per the Act*

*Pursuant to Section 34A of the Insurance Act 1938, the Provisions of Section 196 and Section 197 of the Companies Act 2013 are not applicable to the Company

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri Ashok Pradhan	Shri M. K. Garg	Shri D. Sundaram	Smt. Smeeta Bhatkal	
1.	Independent Directors					
	Fee for attending board/ committee meetings	905,000	825,000	845,000	105,000	2,680,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	905,000	825,000	845,000	105,000	2,680,000
2.	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total(2)	-	-	-	-	-
	Total (B)=(1+2)	905,000	825,000	845,000	105,000	2,680,000
	Total Managerial Remuneration					7,979,916
	Overall Ceiling as per the Act*	100,000 per meeting	100,000 per meeting	100,000 per meeting	100,000 per meeting	

* The Independent Directors are only paid sitting fees for attending the Board Meetings and Committee Meetings.

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

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS (Shri Mahendra Tripathi)	CFO (Shri Rikhil Shah)	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,276,750	8,100,467	12,377,217
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5.	Others			
	Halting Expense	-	-	-
	Home Telephone Expense	-	-	-
	Relocation Expense	-	-	-
	Rent	-	-	-
	Car Hire	-	-	-
Total		4,276,750	8,100,467	12,377,217

VII. PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure 6 to Directors Report 2017-18

SBI GENERAL INSURANCE COMPANY LIMITED
Directors' Report for the year ended 31st March, 2018

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship - NIL
- (b) Nature of contracts/arrangements/transactions - NIL
- (c) Duration of the contracts/arrangements/transactions - NIL
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any - NIL
- (e) Justification for entering into such contracts or arrangements or transactions – NIL
- (f) date(s) of approval by the Board – NIL
- (g) Amount paid as advances, if any: - NIL
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 – NIL

2. Details of material contracts or arrangement or transactions at arm's length basis*

- (a) Name(s) of the related party and nature of relationship – NIL
- (b) Nature of contracts/arrangements/transactions - NIL
- (c) Duration of the contracts/arrangements/transactions – NIL
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
- (e) Date(s) of approval by the Board, if any: NIL
- (f) Amount paid as advances, if any: NIL

* There have not been any Material transactions approved by the Audit Committee of the Board. Accordingly, Nil report is submitted. There were no transactions **at arm's length basis** reported to the Board for approval.

Shri Rajnish Kumar
Director

Shri Pushan Mahapatra
MD & CEO

Date: 27th July, 2018

Management Report

1. In accordance with Part IV Schedule B, of the Insurance Regulatory and Development Authority (Preparation of financial statements and Auditor's Report of Insurance Companies) Regulations, 2002, the following Management Report is submitted by the Board of Directors with respect to the operations of the Company for the year ended 31st March, 2018. The Management of the Company confirms, certifies and declares as below.

2. Certificate of Registration

The Certificate of Registration granted by the Insurance Regulatory and Development Authority of India ("IRDA" of India) to enable the Company to transact General Insurance business continues to stand valid as on 31st March, 2018 and the same has been renewed for the year 2018-2019.

3. Statutory Dues

To the best of our knowledge and belief, all the dues payable to the statutory authorities have been duly paid.

4. Shareholding Pattern

The Company's shareholding pattern and any transfer of shares during the year are in accordance with the requirements of the Insurance Act, 1938 and the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000.

5. Investment of Funds

The Company has not invested outside India, either directly or indirectly, any of the Policy holders' funds received in India.

6. Solvency Margin

The Company has adequate assets to cover both its liabilities and the minimum solvency margin as stipulated in Section 64 VA of the Insurance Act, 1938.

7. Valuation of Assets

The values of all assets have been reviewed on the date of the Balance Sheet and to the best of our knowledge and belief the amounts reflected in the Balance Sheet are shown in the aggregate at amounts not exceeding their realisable or market value under the several headings - "Loans", "Investments", "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amount due from other persons or Bodies

carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts".

8. Risk exposure and Mitigation strategy

Risk Management

Managing risks is central to the sustainability of the Company's business. The Company has put in place a Risk Management Framework, in conformity with the COSO Enterprise Risk Management Framework and it includes the statement of the key principles and minimum requirements for managing the full spectrum of risks faced by the Company. The Risk Management Framework is implemented through the Risk Management Strategy which is supported by a number of policies covering various functions/activities of the Company. These policies are reviewed on regular basis and approved by the Board. There is an Enterprise Risk Profile document which comprises the top risks of the Company segregated into Strategic and Operational. These top risks and the existing controls to mitigate them are comprehensively reviewed at the Risk Management Committee of Senior Management (RMC-SM) on a quarterly basis. The reviewed risks and controls are discussed and approved at the Risk Management Committee of the Board. Further, we also have Risk registers for major functions for reviewing and monitoring departmental level top risks. These risk registers are reviewed on regular basis and signed off by the concerned Head of Department. We periodically monitor and report Key Risk Indicators (KRIs) at both the enterprise and department level. This helps us to ensure we operate within our risk appetite. Root cause analysis is conducted on all risks incidents reported across categories and mitigating actions are implemented to address the incident and prevent a recurrence. The Company has a reinsurance program in place and the risks underwritten by the Company are covered adequately by these reinsurance treaties which cover both the gross risks through proportional treaties and net risks through non-proportional treaties. The Company monitors these risks closely and effective remedial action is taken wherever deemed necessary.

9. Operations in other Countries

The Company does not have any operations outside India.

10. Claims

- a. Ageing analysis of claims outstanding during the five preceding year ended 31st March, 2018 is included in Annexure 1.
- b. The trend in average claim settlement time during the five-preceding year ended 31st March, 2018 is included in Annexure 2.

11. Valuation of Investments

1. All investments in debt securities have been considered to be on a held to maturity category. These are carried at amortised costs. The premium or discount at the time of acquisition is amortised over the remaining period to maturity on constant yield basis by charge to revenue account or profit & loss account as the case may be.
2. To calculate the market value, for comparison purposes, the convention laid down by RBI in consultation with FBIL has been followed, wherein FBIL has published the price/yields of all traded Central Government Securities as on 31-03-2018. The market value of State Development Loans, have been valued at a spread of 25 bps over the corresponding benchmark security of the respective year as per RBI guidelines. Similarly, in the case of securities classified under the category of Other Approved Securities, the Market Value has been taken at a spread of 25 bps over corresponding benchmark security. To calculate the Market Value of Corporate Securities, the spreads prescribed by FBIL for different tenors of securities with different credit ratings have been considered. The spreads applicable for PSU FI and Banks, Private sector, NBFC are different. The prescribed spreads added to the base rate for the respective tenor of the security, depending on the nature of the corporate and its rating, is considered for calculating the Market Value.
3. The mutual fund investments are stated at fair value being the closing net asset value as at the balance sheet date. In the event of the balance sheet date being a holiday/non-business day, the NAV for valuation of the fund is considered as published for the last working day. In accordance with the regulation, unrealised gain/loss arising due to changes in fair value of mutual fund investments are not taken to Revenue/Profit and loss account but are taken to Fair Value Change Account in Balance Sheet.
4. Listed and actively traded equity securities shall be valued at the last quoted closing prices on the National Stock Exchange of India Limited, which is the primary exchange, as of the Balance Sheet date. In case, the

shares are not listed/not traded in NSE the valuation shall be done at the last quoted closing price on the Bombay Stock exchange, which is the secondary exchange for valuation purpose. Unrealised gains or losses are credited/debited to the fair value change account.

12. Review of Asset Quality and Performance of Investments

All investments at the period end are performing investments. Investments are managed by competent personnel under the supervision of the Investment Committee appointed by the Board of Directors of the Company. The quality and performance of assets are subject to periodical review by such Committee. The Company invests only in high credit quality instruments. The company has not made any investment in real estate or extended any loan.

13. Directors' Responsibility Statement

The Board of Directors of the Company also state that:

- a. In preparation of the financial statements, all applicable accounting standards, generally accepted accounting principles and policies have been followed, and there have been no material departures from the aforesaid;
- b. The management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the operating Profit under the Revenue Account and of the profit in the Profit and Loss Account of the Company for the year ended 31st March, 2018;
- c. The management has taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 (4 of 1938) and the Companies Act 2013 (1 of 2013), for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The management has prepared the financial statements on a going concern basis; and
- e. The management has set up an internal audit system commensurate with the size and nature of the business and the same was operating effectively during the year.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. Detail of Payments made to individuals, firms, companies and organisations in which the Directors are interested during the year ended 31st March, 2018 are as follows:

(₹ in '000)

Sr. No.	Particulars of Company/Firm	Nature of Interest	Name	Total
1	State Bank of India	Chairman	Smt. Arundhati Bhattacharya (ceased to be chairman w.e.f 7 th October, 2017)	2,048,613
		Chairman	Shri Rajnish Kumar	
		Director	Shri Dinesh Kumar Khara	
		Director	Shri P. K. Gupta	
2	SBI Life Insurance Company Ltd.	Chairman	Smt. Arundhati Bhattacharya (ceased to be chairman)	123,367
		Chairman	Shri Rajnish Kumar	
		Director	Shri Dinesh Kumar Khara	
		Director	Shri P. K. Gupta	
3	SBI Capital Markets Ltd.	Chairman	Smt. Arundhati Bhattacharya (ceased to be chairman)	73
		Chairman	Shri Rajnish Kumar	
		Director	Shri Dinesh Kumar Khara	
4	SBI DFHI Limited	Chairman	Smt. Arundhati Bhattacharya (ceased to be chairman)	183
		Director	Shri Dinesh Kumar Khara	
		Director	Smt. Smeeta Bhatkal	
5	SBICAP Securities Private Limited	Director	Shri Dinesh Kumar Khara	2,087
6	SBI Cards and Payment Services Private Limited	Chairman	Smt. Arundhati Bhattacharya (ceased to be chairman)	3,927
		Chairman	Shri Rajnish Kumar	
		Director	Shri Dinesh Kumar Khara	
7	SBI Global Factors Ltd	Director	Shri Dinesh Kumar Khara	(508)

For and on behalf of the Board of Directors

Rajnish Kumar
Director
(DIN No : 05328267)

Dinesh Kumar Khara
Director
(DIN No : 06737041)

Pushan Mahapatra
Managing Director & CEO
(DIN No : 07307428)

Rikhil K. Shah
Chief Financial Officer
(M. No. 112490)

Mahendra K.Tripathi
Company Secretary
(M. No. A21090)

Place: Mumbai
Date: 26th April, 2018

Detail of claims outstanding during the preceding 5 years

Annexure 1

For the year ended 31st March, 2018

(₹ in '000)

Product	Fire		Marine Cargo		Motor		Workmen Compensation		Public Liability		Engineering		Aviation		Personal Accident		Health		Others		Total	
	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved
30 days	122	309,305	79	14,144	3,625	581,623	3	91	-	-	14	2,168	-	-	939	532,994	2,468	111,715	163	58,405	7,413	1,610,445
30 days to 6 months	203	371,226	47	18,507	2,821	980,049	8	1,715	2	7,567	30	36,843	7	2,609	1,640	937,027	1,101	57,942	86	24,606	5,945	2,438,091
6 months to 1 year	83	387,220	12	5,405	1,461	951,521	3	1,506	-	-	8	137,791	1	1,733	553	252,882	63	4,230	40	49,693	2,224	1,791,981
1 year to 5 years	278	1,591,156	9	5,021	5,076	4,582,884	6	1,182	1	167	8	13,035	1	3,696	352	80,571	48	4,571	55	42,611	5,834	6,324,895
5 years and above	11	26,210	2	326	63	50,795	-	-	-	-	2	438	1	2,531	1	16	-	-	1	337	81	80,652
Total	697	2,685,117	149	43,403	13,046	7,146,872	20	4,495	3	7,734	62	190,274	10	10,570	3,485	1,803,490	3,680	178,458	345	175,653	21,497	12,246,065

For the year ended 31st March, 2017

(₹ in '000)

Product	Fire		Marine Cargo		Motor		Workmen Compensation		Public Liability		Engineering		Aviation		Personal Accident		Health		Others		Total	
	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved
30 days	214	348,253	50	11,242	3,263	462,742	4	1,730	1	100	15	4,918	-	-	847	459,502	2,025	85,914	102	19,072	6,521	1,393,473
30 days to 6 months	217	908,589	71	24,017	3,326	1,300,580	11	1,764	1	575	28	17,010	-	-	1,430	762,241	735	34,242	110	67,204	5,929	3,116,221
6 months to 1 year	99	1,307,486	20	13,481	2,112	1,188,417	5	865	-	-	11	39,255	1	3,696	574	246,643	50	3,739	15	25,250	2,887	2,828,831
1 year to 5 years	209	1,571,665	20	18,043	4,360	3,237,101	3	555	-	-	20	15,808	29	19,877	424	89,444	11	958	32	35,061	5,108	4,988,512
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	739	4,135,993	161	66,783	13,061	6,188,840	23	4,913	2	675	74	76,991	30	23,573	3,275	1,557,830	2,821	124,851	259	146,588	20,445	12,327,037

For the year ended 31st March, 2016

(₹ in '000)

Product	Fire		Marine Cargo		Motor		Workmen Compensation		Public Liability		Engineering		Aviation		Personal Accident		Health		Others		Total	
	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved
30 days	109	152,461	73	13,752	3,415	476,454	5	776	-	-	10	3,539	-	-	368	173,193	1,483	55,336	120	16,052	5,583	891,562
30 days to 6 months	310	2,310,311	99	25,598	4,254	1,226,892	7	1,035	-	-	40	26,622	1	21	1,270	624,848	1,035	42,305	116	45,440	7,132	4,303,073
6 months to 1 year	105	232,976	28	10,654	2,214	828,630	1	385	-	-	21	29,513	2	256	877	397,372	78	4,282	32	17,690	3,358	1,521,757
1 year to 5 years	211	638,522	21	19,283	3,179	1,815,057	2	1,015	-	-	21	11,272	55	28,279	645	147,260	14	727	31	29,821	4,179	2,691,237
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	735	3,334,270	221	69,287	13,062	4,347,033	15	3,211	-	-	92	70,946	58	28,555	3,160	1,342,674	2,610	102,650	299	109,003	20,252	9,407,629

(₹ in '000)

For the year ended 31st March, 2015

Product	Fire		Marine Cargo		Motor		Workmen Compensation		Public Liability		Engineering		Aviation		Personal Accident		Health		Others		Total	
	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved
30 days	170	365,981	37	5,215	2,346	376,920	2	542	-	-	42	10,496	4	259	640	238,618	949	30,990	67	132,682	4,257	1,161,703
30 days to 6 months	246	636,579	86	44,952	3,780	1,065,624	10	2,476	-	-	52	24,124	-	-	1,306	591,107	498	17,728	101	196,069	6,079	2,578,660
6 months to 1 year	111	898,052	22	15,842	2,067	791,315	3	165	-	-	24	18,299	18	4,340	853	301,524	33	704	26	103,313	3,157	2,133,554
1 year to 5 years	72	340,636	28	11,046	1,284	650,974	3	1,382	-	-	16	14,725	46	22,351	190	64,070	-	-	14	14,787	1,653	1,119,972
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	599	2,241,248	173	77,056	9,477	2,884,832	18	4,565	-	-	134	67,644	68	26,951	2,989	1,195,319	1,480	49,421	208	446,852	15,146	6,993,888

For the year ended 31st March, 2014

(₹ in '000)

Product	Fire		Marine Cargo		Motor		Workmen Compensation		Public Liability		Engineering		Aviation		Personal Accident		Health		Others		Total	
	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved	No of claims	Amount involved
30 days	111	232,524	21	8,940	1,826	253,934	6	207	-	-	18	6,420	18	4,327	418	183,083	159	4,615	42	10,063	2,619	704,114
30 days to 6 months	139	532,868	34	9,071	2,801	654,312	8	1,520	-	-	26	9,019	1	441	1,202	361,074	100	4,201	76	42,495	4,387	1,615,001
6 months to 1 year	80	217,416	24	3,263	718	233,537	7	1,589	-	-	13	15,641	20	6,638	491	116,895	3	36	11	7,346	1,367	602,362
1 year to 5 years	43	153,131	63	1,610	155	67,134	-	-	-	-	9	7,128	31	15,520	114	38,023	677	3,774	3	4,685	1,095	291,004
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	373	1,135,938	142	22,884	5,500	1,208,918	21	3,316	-	-	66	38,209	70	26,926	2,225	699,076	939	12,626	132	64,589	9,468	3,212,481

Details of Average claim settlement time for preceeding 5 years**

Annexure 2

(₹ in '000)

Particulars	For the year ended 31 st March, 2018			For the year ended 31 st March, 2017			For the year ended 31 st March, 2016			For the year ended 31 st March, 2015			For the year ended 31 st March, 2014		
	No of claims settled	Average settlement time (Days)	No of claims settled	Average settlement time (Days)	No of claims settled	Average settlement time (Days)	No of claims settled	Average settlement time (Days)	No of claims settled	Average settlement time (Days)	No of claims settled	Average settlement time (Days)	No of claims settled	Average settlement time (Days)	
Fire	2,944	104	1,775	127	101	2,713	102	2,030	99	2,713	102	2,030	99		
Marine Cargo	784	99	538	118	99	672	86	234	88	672	86	234	88		
Motor	112,009	62	96,354	64	47	42,122	45	30,480	38	42,122	45	30,480	38		
Workmen Compensation	33	191	20	207	146	81	140	78	67	81	140	78	67		
Public Liability	4	131	-	-	200	-	-	-	-	-	-	-	-		
Engineering	232	123	144	172	143	416	121	410	89	416	121	410	89		
Aviation	-	-	-	-	-	-	-	-	-	-	-	-	-		
Personal Accident	6,549	19	3,179	38	208	4,485	158	4,426	91	4,485	158	4,426	91		
Health	37,278	7	15,849	9	46	8,125	40	1,522	40	8,125	40	1,522	40		
Others	1,916	87	1,119	100	90	707	143	459	113	707	143	459	113		

** (excludes co-insurance claim settlements)

Independent Auditor's Report

To the Members of SBI General Insurance Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of SBI General Insurance Company Limited ("the Company"), which comprise of the Balance Sheet as at 31st March, 2018, and the Revenue Accounts of Fire, Marine and Miscellaneous Insurance (collectively known as the 'Revenue Accounts'), the Profit and Loss Account and the Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the Insurance Act, 1938 as amended up to date, the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, Orders/directions issued by Insurance Regulatory and Development Authority Of India in this regard, the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements required by the Insurance Act, 1938 as amended up to date, the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the Companies Act, 2013 to the extent applicable, and in manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India as applicable to insurance companies:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;
- b. In the case of the Revenue Accounts, of the Profit, for the year ended on that date;
- c. In the case of the Profit and Loss Account, of the Profit for the year ended on that date;
- d. In the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, read with Section 143(3) of the Companies Act, 2013, we report that :

- a. We have sought and obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of the audit and have found them to be satisfactory;
- b. In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company so far as appears from our examination of those books.
- c. As the Company's accounts are centralised and maintained at the Corporate office, no returns for the purposes of our audit are prepared at the branches/ other offices of the Company;
- d. The Balance Sheet, the Revenue Accounts, Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;
- e. The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR) and those Incurred But Not Enough Reported (IBNER) as at 31st March, 2018, has been duly certified by the Appointed Actuary of the Company and relied upon by us. The Appointed Actuary has also certified that the assumptions considered for such valuation are in accordance with the guidelines and norms prescribed by the Insurance Regulatory Development Authority Of India and the Institute of Actuaries of India in concurrence with the Insurance Regulatory

Development Authority Of India; and

f. On the basis of the written representations received from the Directors as at 31st March, 2018 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 3.1(b) to the financial statements;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- d. As understood from management schedule III is not applicable to the company , hence the disclosure requirement as envisaged in Notification G.S.R 308(E) dated March 30, 2017 is not applicable to the Company.

2. In our opinion and according to the information and explanations given to us, we further report that:

- a. The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and with the accounting principles prescribed by the Regulations and orders/directions issued by Insurance Regulatory Development Authority Of India in this behalf;
- b. The Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payment Account referred to in this report are in compliance with the Accounting Standards specified under Section 133 of the Companies Act 2013, read

with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting policies prescribed by Insurance Regulatory Development Authority Of India;

c. Investments have been valued in accordance with the provisions of the Insurance Act, 1938, the regulations and orders/directions issued by Insurance Regulatory Development Authority Of India in this behalf;

d. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

3. Further, on the basis of examination of books and records of the Company and according to the information

and explanations given to us during the course of our audit and to the best of our knowledge and belief, we further certify that:

a. We have reviewed the management report attached to the financial statements for the year ended 31st March, 2018 and there are no apparent mistakes or material inconsistencies with the financial statements; and

b. Based on the management representations by officers of the Company charged with compliance and compliance certificates noted by the Audit Committee, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration.

4. As required by section 143(5) of the Companies Act, 2013 we give in the Annexure "A" our comments on the directions and sub-directions issued by the Comptroller and Auditor General (CAG) of India.

For, J SINGH & ASSOCIATES

(Chartered Accountants)

FRN: 110266W

J. Singh

Partner

M.No.042023

Mumbai

26th April, 2018

J SINGH & ASSOCIATES

Chartered Accountants

505/506/507, Hub town Viva,

Western Express Highway,

Shankarwadi,

Between Andheri & Jogeshwari (East)

Mumbai 400 060.

Tel.: (022) 66994618

For, SARC & ASSOCIATES

(Chartered Accountants)

FRN: 006085N

Rajendra Bagade

Partner

M.No.104026

Mumbai

26th April, 2018

SARC & ASSOCIATES

Chartered Accountants

B-1202/1203, Venus Tower,

Above Axis Bank, Azadnagar,

Veera Desai Road,

Andheri (West),

Mumbai- 400 053

Tel.: (022) 2683 1827

Annexure "A"

Directions under section 143(5) of Companies Act 2013

1. Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?

- *Not applicable as the Company is not having freehold/leasehold land.*

2. Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.

- *There are no cases of waiver/ write off of debts/loans/interest etc.*

3. Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.

- *Not applicable, as there are no inventories held by the assessee company.*

For J. SINGH & ASSOCIATES

(Chartered Accountants)

FRN: 110266W

For SARC & ASSOCIATES

(Chartered Accountants)

FRN: 006085N

J. Singh

Partner

M.No.042023

Rajendra Bagade

Partner

M.No.104026

Mumbai

26th April, 2018

Mumbai

26th April, 2018

Sub-directions for SBI General Insurance Company Limited

1. Number of titles of ownership in respect of CGS/SGS/Bonds/Debentures etc. available in physical/demat form and out of these number of cases which are not in agreement with the respective amounts shown in the Company's books of accounts may be verified and discrepancy found may be suitably reported.

Details for number of titles of ownership in respect of CGS/SGS/Bonds/Debentures etc. available in physical/demat form are given as under :--

Sr. No.	Asset Type	Mode of Holding	Number of titles of ownership	Book Value (₹ In Lacs)	Discrepancy
1	CGS	Demat	53	163,996	Nil
2	SGS	Demat	78	64,490	
3	Bonds	Demat	172	233,254	
4	Equities & ETF	Demat	85	13,171	
5	CP/CD	Demat	8	20,314	
6	Fixed Deposits	Physical	3	12,162	
7	Mutual Funds	Physical	7	21,831	
	Total		406	529,219	

2. Whether Stop loss limits have been prescribed in respect of the investments, if yes, if the limit was adhered to. If no details may be given-

Stop Loss limits have been prescribed in the Investment Policy of the company and the same have been adhered to during FY2017-18.

3. Whether company has carried out reconciliation exercise for the intercompany balances reflected in their financial statement with other PSU insurers and whether confirmation has been obtained from other PSU insurers for balance due from them.

As per records made available by the Company, the company has duly carried out the reconciliation of intercompany balances with respect to other PSU insurers and confirmation of balances have been obtained from other PSU insurers.

4. (a) Whether the method of accounting of premium and reported claims are as per conditions agreement/scheme relating to Pradhan Mantri Fasal Bima Yojana.-

As per the records made available by the Company, the method of accounting of premium as well as reported claims for the Pradhan Mantri Fasal Bima Yojana were as per the conditions prescribed for the scheme.

(b) Whether the method of accounting of premium and reported claims are as per conditions agreement/scheme relating to Rastriya Swasthya Bima Yojana-

As per the records made available by the Company, there is no such premium and claims relating to Rastriya Swasthya Bima Yojana.

For J. SINGH & ASSOCIATES

(Chartered Accountants)

FRN: 110266W

J. Singh

Partner

M.No.042023

Mumbai

26th April, 2018

For SARC & ASSOCIATES

(Chartered Accountants)

FRN: 006085N

Rajendra Bagade

Partner

M.No.104026

Mumbai

26th April, 2018

Annexure “B”

To the Independent Auditor’s report of even date on the standalone financial statements of SBI General Insurance Company Limited

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

We have audited the internal financial controls over financial reporting of **SBI General Insurance Company Limited** (“the Company”) as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For J. SINGH & ASSOCIATES

(Chartered Accountants)
FRN: 110266W

J. Singh

Partner
M.No.042023

Mumbai
26th April, 2018

For SARC & ASSOCIATES

(Chartered Accountants)
FRN: 006085N

Rajendra Bagade

Partner
M.No.104026

Mumbai
26th April, 2018

Comments of the Comptroller and Auditor General of India under section 143(6)(B) of the Companies Act, 2013 on the financial statements of SBI General Insurance Company Limited, for the year ended 31st March, 2018.

The preparation of financial statements of SBI General Insurance Company Limited for the year ended 31st March, 2018 in accordance with the financial reporting framework prescribed under the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulation, 2002 and the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Companies Act, 2013 are responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26th April, 2018.

I, on the behalf of the Comptroller and Auditor General of India have conducted a Supplementary Audit, under Section 143(6)(a) of the Act, of the Financial statements of SBI General Insurance Company Limited for the year ended 31st March, 2018. This Supplementary Audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report.

For and on the behalf of the
Comptroller and Auditor General of India

(Roop Rashi)
Principal Director of Commercial Audit and
Ex-Officio Member, Audit Board-I. Mumbai

Place: Mumbai
Date: 04th July, 2018

Revenue Account for the year ended 31st March 2018

(₹ in '000)

Particulars	Schedule	Fire		Marine		Miscellaneous		Total	
		For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
1. Premiums earned (Net)	1	1,383,447	1,719,228	107,857	140,812	16,927,422	12,904,203	18,418,726	14,764,243
2. Profit/ Loss on sale/redemption of Investments(Net)		53,493	70,839	1,277	1,381	191,051	157,223	245,821	229,443
3. Others									
(a) Interest Income-Terrorism Pool/ Decline pool		7,579	7,318	-	-	506	-	8,085	7,318
(b) Interest Income on Unclaimed Policyholder		669	794	16	15	2,390	1,762	3,075	2,571
4. Interest, Dividend & Rent – Gross		559,809	732,739	13,368	14,286	1,999,345	1,626,264	2,572,522	2,373,289
TOTAL (A)		2,004,997	2,530,918	122,518	156,494	19,120,714	14,689,452	21,248,229	17,376,864
1. Claims Incurred (Net)	2	583,664	692,660	88,794	137,945	12,492,011	10,244,620	13,164,469	11,075,225
2. Commission (Net)	3	(2,531,506)	(556,075)	19,126	21,165	1,104,780	746,206	(1,407,600)	211,296
3. Operating Expenses related to Insurance Business	4	641,661	646,463	25,738	27,748	5,051,077	4,314,946	5,718,476	4,989,157
4. Premium Deficiency Reserve									-
TOTAL (B)		(1,306,181)	783,048	133,658	186,858	18,647,868	15,305,772	17,475,345	16,275,678
Operating Profit/(Loss) [C= (A-B)]		3,311,178	1,747,870	(11,140)	(30,364)	472,846	(616,320)	3,772,884	1,101,186
APPROPRIATIONS									
Transfer to Shareholders' Account		3,311,178	1,747,870	(11,140)	(30,364)	472,846	(616,320)	3,772,884	1,101,186
Transfer to Catastrophe Reserve									
Transfer to Other Reserves									
TOTAL (C)		3,311,178	1,747,870	(11,140)	(30,364)	472,846	(616,320)	3,772,884	1,101,186
Notes to Financial Statements	16								

Note :

As required by Expenses of Management Regulations, 2016 issued by the IRDAI, Operating expenses is allocated/apporportioned as per Board approved policy on allocation and apportionment of expenses of management. The Schedules referred to above form an integral part of the Financial Statements

As per our report of even date attached

For J. Singh & Associates
Chartered Accountants
(FRN 1102666W)

For SARC & Associates
Chartered Accountants
(FRN 006085N)

CA. J. Singh
Partner
M.No. 042023

CA. Rajendra S. Bagade
Partner
M.No. 104026

For and on behalf of the Board of Directors

Rajnish Kumar
Director
(DIN No : 05328267)

Dinesh Kumar Khara
Director
(DIN No : 06737041)

Pushan Mahapatra
Managing Director & CEO
(DIN No : 07307428)

Rikhil K. Shah
Chief Financial Officer
(M. No. 112490)

Mahendra K. Tripathi
Company Secretary
(M. No. A21090)

Place: Mumbai
Date: April 26, 2018

Profit and Loss Account for the year ended 31st March, 2018

(₹ in '000)

Particulars	Schedule	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
1. OPERATING PROFIT/(LOSS)			
(a) Fire Insurance		3,311,178	1,747,870
(b) Marine Insurance		(11,140)	(30,364)
(c) Miscellaneous Insurance		472,846	(616,320)
2. INCOME FROM INVESTMENTS			
(a) Interest, Dividend & Rent – Gross		1,001,760	743,234
(b) Profit on sale of investments		96,926	72,194
Less: Loss on sale of investments		(1,202)	(418)
3. OTHER INCOME (Miscellaneous Income)		6,831	23,615
Profit & Loss on Sale of Assets		266	521
Total (A)		4,877,465	1,940,332
4. PROVISIONS (Other than taxation)			
(a) For diminution in the value of investments		28,755	3,763
(b) For doubtful debts		-	-
(c) Others		-	-
5. OTHER EXPENSES			
(a) Expenses other than those related to Insurance Business		-	-
(b) Bad debts written off		-	-
(c) Others		-	-
Share Issue Expenses		-	2,250
Director's Fees		2,680	1,570
Others		756	29
Expenses Of Management Regulatory Adjustments		621,380	406,158
Total (B)		653,571	413,770
Profit/(Loss) Before Tax		4,223,894	1,526,562
Provision for Taxation			
(a) Current Tax \ Minimum Alternate Tax		632,768	-
(b) Deferred tax (Income)/Expense (Refer note 3.24 of Schedule 16)		(365,822)	-
(c) Excess provision written back		-	-
Profit/(Loss) after tax		3,956,948	1,526,562
Appropriations			
(a) Interim dividends paid during the year		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer to any Reserves or other Accounts		-	-
Balance of profit/ (loss) brought forward		(4,494,795)	(6,021,357)
Balance carried forward to Balance Sheet		(537,847)	(4,494,795) -
Basic Earnings per share (Refer Note 3.23 of Schedule 16)		18.36	7.21
Diluted Earnings per share (Refer Note 3.23 of Schedule 16)		18.36	7.21
Notes to Financial Statements	16		

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

As per our report of even date attached

For J. Singh & Associates For SARC & Associates
Chartered Accountants Chartered Accountants
(FRN 110266W) (FRN 006085N)

CA. J. Singh
Partner
M.No. 042023

CA. Rajendra S. Bagade
Partner
M.No. 104026

For and on behalf of the Board of Directors

Rajnish Kumar **Dinesh Kumar Khara**
Director Director
(DIN No : 05328267) (DIN No : 06737041)

Rikhil K. Shah **Mahendra K. Tripathi**
Chief Financial Officer Company Secretary
(M. No. 112490) (M. No. A21090)

Pushan Mahapatra
Managing Director & CEO
(DIN No : 07307428)

Place: Mumbai
Date: April 26, 2018

Balance Sheet as at 31st March, 2018

(₹ in '000)

Particulars	Schedule	As at 31 st March, 2018	As at 31 st March, 2017
SOURCES OF FUNDS			
Share Capital	5	2,155,000	2,155,000
Reserves and Surplus	6	13,326,000	13,326,000
Fair Value Change Account - Shareholders		(78,777)	(9,276)
Fair Value Change Account - Policyholders		3,834	1,013
Borrowings	7	-	-
Total		15,406,057	15,472,737
APPLICATION OF FUNDS			
Investments - Shareholders	8	11,855,445	8,461,812
Investments - Policyholders	8A	41,066,473	35,159,304
Loans	9	-	-
Fixed Assets	10	562,094	373,414
Deferred tax asset (Refer note 3.24 of Schedule 16)		365,822	-
Current Assets			
Cash and Bank Balances	11	390,221	340,347
Advances and Other Assets	12	5,014,696	3,133,264
Sub-Total (A)		5,404,917	3,473,611
Current Liabilities	13	28,797,412	19,756,707
Provisions	14	15,589,129	16,733,492
Sub-Total (B)		44,386,541	36,490,199
Net Current Assets (C) = (A - B)		(38,981,624)	(33,016,588)
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit and Loss Account		537,847	4,494,795
Total		15,406,057	15,472,737
Contingent Liabilities		33,934	8,604
Notes to Financial Statements	16		

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

As per our report of even date attached

For J. Singh & Associates Chartered Accountants
(FRN 110266W)

CA. J. Singh
Partner
M.No. 042023

For SARC & Associates Chartered Accountants
(FRN 006085N)

CA. Rajendra S. Bagade
Partner
M.No. 104026

For and on behalf of the Board of Directors

Rajnish Kumar Director
(DIN No : 05328267)

Rikhil K. Shah
Chief Financial Officer
(M. No. 112490)

Dinesh Kumar Khara Director
(DIN No : 06737041)

Mahendra K. Tripathi
Company Secretary
(M. No. A21090)

Pushan Mahapatra
Managing Director & CEO
(DIN No : 07307428)

Place: Mumbai
Date: April 26, 2018

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 1 : Premium Earned (Net)

(₹ in '000)

Particulars	Fire		Marine			Miscellaneous*		Total	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	Cargo	Cargo	Others	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Premium from direct business written	7,904,465	7,190,492	172,041	182,974	-	27,365,498	18,671,392	35,442,004	26,044,858
Add: Premium on reinsurance accepted	68,798	13,808	-	-	-	21,337	(106,914)	90,135	(93,106)
Less: Premium on reinsurance ceded	10,494,234	5,247,190	53,070	54,166	-	7,714,848	4,350,326	18,262,152	9,651,682
Net Premium	(2,520,971)	1,957,110	118,971	128,808	-	19,671,987	14,214,152	17,269,987	16,300,070
Adjustment for change in reserve for unexpired risks	3,904,418	(237,882)	(11,114)	12,004	-	(2,744,565)	(1,309,949)	1,148,739	(1,535,827)
Total Premium Earned (Net)	1,383,447	1,719,228	107,857	140,812	-	16,927,422	12,904,203	18,418,726	14,764,243
In India	1,383,447	1,719,228	107,857	140,812	-	16,927,422	12,904,203	18,418,726	14,764,243
Outside India	-	-	-	-	-	-	-	-	-
Total Premium Earned (Net)	1,383,447	1,719,228	107,857	140,812	-	16,927,422	12,904,203	18,418,726	14,764,243

*Refer Schedule 1 - A

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 1 - A : Premium Earned (Net) (₹ in '000)

Particulars	Motor (OD)		Motor (TP)		Declined Pool		Motor Total		Workmen's Compensation		Public Liability	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Premium from direct business	6,484,399	4,483,145	3,297,309	2,324,735	-	-	9,781,708	6,807,880	18,879	17,020	88,603	55,050
Add: Premium on reinsurance accepted	-	-	-	-	-	(119,391)	-	(119,391)	-	-	14,016	10,000
Less: Premium on reinsurance ceded	337,525	235,523	184,397	136,244	-	-	521,922	371,767	8,743	8,028	67,818	40,447
Net Premium	6,146,874	4,247,622	3,112,912	2,188,491	-	-	9,259,786	6,316,722	10,136	8,992	34,801	24,603
Adjustment for change in reserve for unexpired risks	(1,268,761)	110,970	(610,143)	266,488	-	-	(1,878,904)	437,458	(2,155)	2,417	(6,291)	(7,515)
Total Premium Earned (Net)	4,878,113	4,358,592	2,502,769	2,454,979	-	-	7,380,882	6,754,180	7,981	11,409	28,510	17,088
In India	4,878,113	4,358,592	2,502,769	2,454,979	-	-	7,380,882	6,754,180	7,981	11,409	28,510	17,088
Outside India	-	-	-	-	-	-	-	-	-	-	-	-
Total Premium Earned (Net)	4,878,113	4,358,592	2,502,769	2,454,979	-	-	7,380,882	6,754,180	7,981	11,409	28,510	17,088

Schedule - 1 - A : Premium Earned (Net) (₹ in '000)

Particulars	Engineering		Aviation		Personal Accident		Health Insurance		Weather & Crop Insurance		Others		Total Miscellaneous	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Premium from direct business	248,959	205,058	-	(13,066)	4,661,469	4,200,834	4,734,385	3,724,339	7,002,978	3,115,228	828,517	559,049	27,365,498	18,671,392
Add: Premium on reinsurance accepted	7,321	2,477	-	-	-	-	-	-	-	-	-	-	21,337	(106,914)
Less: Premium on reinsurance ceded	157,812	138,070	-	(13,192)	517,396	548,026	236,719	186,218	5,989,330	2,900,057	215,108	170,905	7,714,848	4,350,326
Net Premium	98,468	69,465	-	126	4,144,073	3,652,808	4,497,666	3,538,121	1,013,648	215,171	613,409	388,144	19,671,987	14,214,152
Adjustment for change in reserve for unexpired risks	(29,731)	(5,115)	-	-	(69,061)	(737,373)	(510,577)	(970,180)	(78,466)	1,890	(169,380)	(31,531)	(2,744,565)	(1,309,949)
Total Premium Earned (Net)	68,737	64,350	-	126	4,075,012	2,915,435	3,987,089	2,567,941	935,182	217,061	444,029	356,613	16,927,422	12,904,203
In India	68,737	64,350	-	126	4,075,012	2,915,435	3,987,089	2,567,941	935,182	217,061	444,029	356,613	16,927,422	12,904,203
Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Premium Earned (Net)	68,737	64,350	-	126	4,075,012	2,915,435	3,987,089	2,567,941	935,182	217,061	444,029	356,613	16,927,422	12,904,203

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 2 : Claim Incurred (Net)

(₹ in '000)

Particulars	Fire		Marine		Miscellaneous*		Total	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	Cargo	Others	For the year ended 31 st March 2018	For the year ended 31 st March 2017		For the year ended 31 st March 2018
Direct	1,752,295	2,711,822	110,115	-	8,931,500	8,960,094	10,793,910	11,817,139
Add: Re-insurance accepted	235	625	-	-	62	1,293	297	1,918
Less: Re-insurance Ceded	1,212,357	2,173,088	10,411	-	1,319,851	1,495,479	2,542,619	3,683,286
Net Claims paid	540,173	539,359	99,704	-	7,611,711	7,465,908	8,251,588	8,135,771
Add Claims Outstanding at the end	887,260	843,769	118,061	-	18,496,244	13,615,944	19,501,565	14,588,684
Less Claims Outstanding at the beginning	843,769	690,468	128,971	-	13,615,944	10,837,232	14,588,684	11,649,230
Total Claims Incurred	583,664	692,660	88,794	-	12,492,011	10,244,620	13,164,469	11,075,225

*Refer Schedule 2 - A

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 2 - A : Claim Incurred (Net) (₹ in '000)

Particulars	Motor (OD)		Motor (TP)		Declined Pool		Motor Total		Workmen's Compensation		Public Liability	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Claims paid												
Direct	3,310,272	3,687,599	1,538,803	1,605,738	-	-	4,849,075	5,293,337	3,448	2,196	534	-
Add: Re-insurance accepted	-	-	-	-	-	914	-	914	-	-	-	-
Less: Re-insurance Ceded	165,832	201,026	84,467	90,451	-	-	250,299	291,477	885	825	446	-
Net Claims paid	3,144,440	3,486,573	1,454,336	1,515,287	-	914	4,598,776	5,002,774	2,563	1,371	88	-
Add Claims Outstanding at the end	1,586,293	1,302,818	10,894,494	9,004,690	-	-	12,480,787	10,307,508	15,021	17,153	17,966	13,141
Less Claims Outstanding at the beginning	1,302,818	823,276	9,004,690	7,482,348	-	110,401	10,307,508	8,416,025	17,153	16,983	13,141	10,021
Total Claims Incurred	3,427,915	3,966,115	3,344,140	3,037,629	-	(109,487)	6,772,055	6,894,257	431	1,541	4,913	3,120

Schedule - 2 - A : Claim Incurred (Net) (₹ in '000)

Particulars	Engineering		Aviation		Personal Accident		Health Insurance		Weather & Crop Insurance		Others		Total Miscellaneous	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Claims paid														
Direct	85,052	51,980	496	3,143	1,790,724	871,671	1,183,373	924,674	1,122,501	101,421	8,931,500	8,960,094		
Add: Re-insurance accepted	62	379	-	-	-	-	-	-	-	-	62	1,293		
Less: Re-insurance Ceded	58,656	26,466	494	3,139	98,021	43,689	59,190	831,891	1,010,251	28,954	1,319,851	1,495,479		
Net Claims paid	26,458	25,893	2	4	1,692,703	827,982	1,124,183	92,783	112,250	72,467	7,611,711	7,465,908		
Add Claims Outstanding at the end	37,265	33,121	156	164	3,242,647	496,348	1,039,536	1,485,149	312,787	100,559	18,496,244	13,615,944		
Less Claims Outstanding at the beginning	33,121	44,912	164	196	2,335,163	232,728	496,348	312,787	109,419	86,993	13,615,944	10,837,232		
Total Claims Incurred	30,602	14,102	(6)	(28)	2,600,187	1,091,602	1,667,371	1,265,145	315,618	86,033	12,492,011	10,244,620		

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 3 : Commission (Net)

(₹ in '000)

Particulars	Fire		Marine		Miscellaneous*		Total	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	Cargo	Others	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Commission paid								
Direct	948,803	584,673	21,574	-	2,044,470	1,100,167	3,014,847	1,707,410
Total(A)	948,803	584,673	21,574	-	2,044,470	1,100,167	3,014,847	1,707,410
Add: Re-insurance Accepted	5,454	1,810	-	-	1,377	405	6,831	2,215
Less: Commission on Re-insurance Ceded	3,485,763	1,142,558	2,448	-	941,067	354,366	4,429,278	1,498,329
Net Commission	(2,531,506)	(556,075)	19,126	-	1,104,780	746,206	(1,407,600)	211,296
Break-up of Commission (Gross)								
Agents	17,245	13,455	5,704	-	174,115	90,223	197,064	107,267
Brokers	77,160	52,411	15,657	-	686,606	203,905	779,423	274,383
Corporate Agency	854,398	518,807	213	-	1,183,278	806,039	2,037,889	1,325,760
Referral	-	-	-	-	-	-	-	-
Others (MSP)	-	-	-	-	471	-	471	-
Total(B)	948,803	584,673	21,574	-	2,044,470	1,100,167	3,014,847	1,707,410

*Refer Schedule 3A

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 3 - A : Commission (Net)

(₹ in '000)

Particulars	Motor (OD)		Motor (TP)		Declined Pool		Motor Total		Workmen's Compensation		Public Liability	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Commission paid	784,312	266,816	19,467	-	-	-	803,779	266,816	1,672	1,082	7,780	4,730
Total(A)	784,312	266,816	19,467	-	-	-	803,779	266,816	1,672	1,082	7,780	4,730
Add: Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	662	100
Less: Commission on Re-insurance Ceded	48,633	33,624	8,243	5,812	-	-	56,876	39,436	2,871	2,640	16,574	8,496
Net Commission	735,679	233,192	11,224	(5,812)	-	-	746,903	227,380	(1,199)	(1,558)	(8,132)	(3,666)
Break-up of Commission (Gross)												
Agents	122,058	64,518	8,954	-	-	-	131,012	64,518	679	574	556	665
Brokers	582,786	146,326	6,308	-	-	-	589,094	146,326	799	294	6,700	3,992
Corporate Agency	78,997	55,972	4,205	-	-	-	83,202	55,972	194	214	524	73
Referral	-	-	-	-	-	-	-	-	-	-	-	-
Others (MIS)	471	-	-	-	-	-	471	-	-	-	-	-
Total(B)	784,312	266,816	19,467	-	-	-	803,779	266,816	1,672	1,082	7,780	4,730

Schedule - 3 - A : Commission(Net)

(₹ in '000)

Particulars	Engineering		Aviation		Personal Accident		Health Insurance		Weather & Crop Insurance		Others		Total Miscellaneous	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	
Commission paid	18,985	14,614	-	-	481,564	302,529	617,879	440,601	-	5,443	112,811	64,352	2,044,470	
Total(A)	18,985	14,614	-	-	481,564	302,529	617,879	440,601	-	5,443	112,811	64,352	2,044,470	
Add: Re-insurance Accepted	715	305	-	-	-	-	-	-	-	-	-	-	1,377	
Less: Commission on Re-insurance Ceded	52,490	21,436	-	(4)	38,424	32,719	26,169	20,058	697,495	203,415	50,168	26,170	941,067	
Net Commission	(32,790)	(6,517)	-	4	443,140	269,810	591,710	420,543	(697,495)	(197,972)	62,643	38,182	1,104,780	
Break-up of Commission (Gross)														
Agents	4,532	2,564	-	-	1,085	1,444	33,198	18,165	-	-	3,053	2,293	174,115	
Brokers	13,305	10,027	-	-	802	1,159	57,361	28,759	-	-	18,545	7,905	686,606	
Corporate Agency	1,148	2,023	-	-	479,677	299,926	527,320	393,677	-	-	91,213	54,154	1,183,278	
Referral	-	-	-	-	-	-	-	-	-	-	-	-	-	
Others (MIS)	-	-	-	-	-	-	-	-	-	-	-	-	471	
Total(B)	18,985	14,614	-	-	481,564	302,529	617,879	440,601	-	5,443	112,811	64,352	2,044,470	

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 4 : Operating Expenses Related to Insurance Business

(₹ in '000)

Particulars	Fire#		Marine			Miscellaneous*			Total	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	Cargo	Cargo	Others	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	
1. Employees' remuneration & welfare benefits	242,046	242,914	12,977	15,987	-	2,145,771	1,779,062	2,400,794	2,037,963	
2. Travel, conveyance and vehicle running expenses	34,435	40,097	1,846	2,638	-	305,267	293,570	341,548	336,305	
3. Training expenses	1,438	499	77	33	-	12,748	3,658	14,263	4,190	
4. Rents, rates & taxes	27,640	32,221	1,482	2,121	-	246,392	235,980	275,514	270,322	
5. Repairs & maintenance	20,803	16,962	1,115	1,116	-	184,419	124,226	206,337	142,304	
6. Printing & stationery	10,051	10,367	527	669	-	105,363	89,665	115,941	100,701	
7. Communication	16,953	18,948	909	1,247	-	150,289	138,776	168,151	158,971	
8. Legal & professional charges	38,328	22,371	2,055	1,478	-	342,164	163,940	382,547	187,789	
9. Auditors' fees, expenses etc										
(a) as auditor	560	559	30	37	-	4,960	4,094	5,550	4,690	
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	
(i) Taxation matters	-	-	-	-	-	-	-	-	-	
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	
(iii) Management services, and	-	-	-	-	-	-	-	-	-	
(c) in any other capacity	127	123	7	8	-	1,123	902	1,257	1,033	
(d) out of pocket expenses	6	4	-	-	-	49	27	55	31	
10. Advertisement and publicity	142,825	134,633	7,657	8,861	-	1,266,162	986,026	1,416,644	1,129,520	
11. Interest & Bank Charges	980	990	53	65	-	8,686	7,248	9,719	8,303	
12. Others										
Electricity	7,102	8,019	381	528	-	62,955	58,733	70,438	67,280	
Office Administration Expenses	2,049	2,179	110	143	-	18,164	15,961	20,323	18,283	
Exchange (Gain)/Loss	52	171	3	11	-	461	1,252	516	1,434	
Information Technology	39,953	43,866	2,142	2,887	-	354,188	321,266	396,283	368,019	
Insurance premium	141	170	8	11	-	1,245	1,245	1,394	1,426	
Coinsurance administration charges	5,267	6,186	293	574	-	2,077	2,337	7,637	9,097	
Other Miscellaneous Expenses	7,208	5,282	379	343	-	62,931	38,420	70,518	44,045	
Service Tax Expenses/GST Expenses	19,990	17,754	1,075	1,186	-	178,217	131,062	199,282	150,002	
Expense Of Management Regulatory Adjustments	-	-	(8,659)	(14,969)	-	(612,721)	(391,189)	(621,380)	(406,158)	
13. Depreciation	23,707	42,148	1,271	2,774	-	210,167	308,685	235,145	353,607	
TOTAL	641,661	646,463	25,738	27,748	-	5,051,077	4,314,946	5,718,476	4,989,157	

Basis of allocation of expense for Fire have been worked by eliminating RI ceded during the year amounting to Rs 474 crore for earlier years

*Refer Schedule 4 - A

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 4 - A : Operating Expenses Related to Insurance Business

(₹ in '000)

Particulars	Motor (OD)		Motor (TP)		Declined Pool		Motor Total		Workmen's Compensation		Public Liability	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017	For the year ended 31 st March 2018	For the year ended 31 st March 2017
1. Employees' remuneration & welfare benefits	670,486	527,209	339,549	271,633	-	-	1,010,035	798,842	1,106	1,116	3,796	3,054
2. Travel, conveyance and vehicle running expenses	95,386	86,997	48,306	44,823	-	-	143,692	131,820	157	184	540	504
3. Training expenses	3,983	1,084	2,017	559	-	-	6,000	1,643	7	2	23	6
4. Rents, rates & taxes	76,565	69,931	38,774	36,030	-	-	115,339	105,961	126	148	433	405
5. Repairs & maintenance	57,625	36,814	29,183	18,967	-	-	86,808	55,781	95	78	326	213
6. Printing & stationery	27,578	22,301	13,799	11,371	-	-	41,377	33,672	45	47	155	128
7. Communication	46,961	41,125	23,782	21,189	-	-	70,743	62,314	77	87	266	238
8. Legal & professional charges	106,207	48,526	56,103	25,191	-	-	162,310	73,717	175	103	601	281
9. Auditors' fees, expenses etc	1,550	1,213	785	625	-	-	2,335	1,838	3	3	9	7
(a) as auditor												
(b) as adviser or in any other capacity, in respect of												
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services, and	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	351	267	178	138	-	-	529	405	1	1	2	2
(d) out of pocket expenses	15	8	8	4	-	-	23	12	-	-	-	-
10. Advertisement and publicity	395,636	292,200	200,359	150,550	-	-	595,995	442,750	652	619	2,240	1,692
11. Interest & Bank Charges	2,714	2,148	1,375	1,107	-	-	4,089	3,255	4	5	15	12
12. Others												
Electricity	19,672	17,405	9,962	8,967	-	-	29,634	26,372	32	37	111	101
Office Administration Expenses	5,676	4,730	2,874	2,437	-	-	8,550	7,167	9	10	32	27
Exchange (Gain)/Loss	144	371	73	191	-	-	217	562	-	1	1	2
Membership & Subscription Fees	-	-	-	-	-	-	-	-	-	-	-	-
Information Technology	110,673	95,204	56,047	49,052	-	-	166,720	144,256	182	202	627	551
Insurance premium	389	369	197	190	-	-	586	559	1	1	2	2
Coinsurance administration charges	-	-	-	-	-	-	-	-	1	1	25	11
Other Miscellaneous Expenses	19,629	11,460	9,897	5,814	-	-	29,526	17,274	32	24	111	65
Service Tax Expenses/GST Expenses	56,554	40,167	27,974	19,656	-	-	84,528	59,823	91	81	313	221
Expense Of Management Regulatory Adjustments	(89,728)	-	-	-	-	-	(89,728)	-	-	-	-	-
13. Depreciation	65,671	91,476	33,257	47,131	-	-	98,928	138,607	108	194	372	530
TOTAL	1,673,737	1,391,005	894,499	715,625	-	-	2,568,236	2,106,630	2,904	2,943	10,000	8,052

Schedules Annexed to and forming part of the Revenue Account for the year ended 31st March 2018

Schedule - 4 - A : Operating Expenses Related to Insurance Business

(₹ in '000)

Particulars	Engineering		Aviation		Personal Accident		Health Insurance		Weather & Crop Insurance		Others		Total Miscellaneous	
	For the year ended 31 st March		For the year ended 31 st March		For the year ended 31 st March		For the year ended 31 st March		For the year ended 31 st March		For the year ended 31 st March		For the year ended 31 st March	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
1. Employees' remuneration & welfare benefits	10,741	8,622	-	16	452,025	453,382	490,594	439,147	110,566	26,707	66,908	48,176	2,145,771	1,779,062
2. Travel, conveyance and vehicle running expenses	1,528	1,423	-	3	64,307	74,814	69,794	72,465	15,730	4,407	9,519	7,950	305,267	293,570
3. Training expenses	64	18	-	-	2,685	932	2,914	903	657	55	398	99	12,748	3,658
4. Rents, rates & taxes	1,226	1,144	-	2	51,617	60,138	56,881	58,250	12,626	3,542	8,144	6,390	246,392	235,990
5. Repairs	923	602	-	1	38,849	31,658	42,164	30,664	9,503	1,865	5,751	3,364	184,419	124,226
6. Printing & stationery	437	362	-	1	19,764	20,594	25,650	22,683	4,508	1,118	13,427	11,060	105,363	89,665
7. Communication	752	673	-	1	31,660	35,366	34,361	34,256	7,744	2,083	4,686	3,758	150,289	138,776
8. Legal & professional charges	1,701	794	-	1	71,590	41,731	77,686	40,421	17,508	2,458	10,593	4,434	342,164	163,940
9. Auditors' fees, expenses etc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a) as auditor	25	20	-	-	1,045	1,043	1,134	1,011	256	61	153	111	4,960	4,094
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	6	4	-	-	237	230	257	222	58	14	33	24	1,123	902
(d) out of pocket expenses	-	-	-	-	10	7	11	7	3	-	2	1	49	27
10. Advertisement and publicity	6,338	4,778	-	9	266,728	251,284	289,486	243,392	65,242	14,801	39,481	26,701	1,266,162	986,026
11. Interest & Bank Charges	43	35	-	-	1,830	1,847	1,986	1,789	448	109	271	196	8,686	7,248
12. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity	315	285	-	1	13,262	14,967	14,394	14,498	3,244	882	1,963	1,590	62,955	58,733
Office Administration Expenses	91	77	-	-	3,827	4,068	4,153	3,940	936	240	566	432	18,164	15,961
Exchange (Gain)/Loss	2	6	-	-	97	319	106	309	24	19	14	34	461	1,252
Membership & Subscription Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information Technology	1,773	1,557	-	3	74,613	81,872	80,979	79,302	18,250	4,823	11,044	8,700	354,188	321,266
Insurance premium	6	6	-	-	262	317	285	307	64	19	39	34	1,245	1,245
Coinsurance administration charges	(626)	34	-	(131)	26	27	2,526	2,309	-	-	125	87	2,077	2,337
Other Miscellaneous Expenses	313	268	-	-	13,175	9,715	14,301	9,398	3,223	571	2,250	1,105	62,931	38,420
Service Tax Expenses/GST Expenses	886	631	-	1	37,240	32,782	40,502	32,053	9,109	1,931	5,548	3,539	178,217	131,062
Expense Of Management Regulatory Adjustments	-	-	-	-	(250,797)	(225,722)	(272,196)	(165,467)	-	-	-	-	(612,721)	(391,189)
13. Depreciation	1,052	1,496	-	3	44,274	78,666	48,051	76,196	10,829	4,634	6,553	8,359	210,167	308,685
TOTAL	27,596	22,835	-	(89)	938,326	970,037	1,026,019	998,055	290,528	70,339	187,468	136,144	5,051,077	4,314,946

Schedules Annexed to and forming part of Balance Sheet as at 31st March, 2018

Schedule - 5: Share Capital

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
1. Authorised Capital: 2,000,000,000 (Previous Year 2,000,000,000) Equity Shares of ₹ 10 each	20,000,000	20,000,000
2. Issued Capital: 215,500,000 (Previous Year 215,500,000) Equity Shares of ₹ 10 each	2,155,000	2,155,000
3. Subscribed Capital: 215,500,000 (Previous Year 215,500,000) Equity Shares of ₹ 10 each	2,155,000	2,155,000
4. Called-up Capital: 215,500,000 (Previous Year 215,500,000) Equity Shares of ₹ 10 each	2,155,000	2,155,000
Less: Calls unpaid	-	-
Add: Equity Shares forfeited (Amount originally paid up)	-	-
Less: Par Value of Equity Shares bought back	-	-
Less: Preliminary Expenses	-	-
Expenses including commission or brokerage on Underwriting or subscription of shares	-	-
TOTAL	2,155,000	2,155,000

Schedule - 5A : Share Capital - Pattern of Shareholding

Particulars	As at 31 st March, 2018		As at 31 st March, 2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
Indian: State Bank of India (Holding Company)	159,470,000	74%	159,470,000	74%
Foreign: IAG International Pty Ltd.	56,030,000	26%	56,030,000	26%
Others	-	-	-	-
TOTAL	215,500,000	100%	215,500,000	100%

Schedule - 6 : Reserves and Surplus

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
1. Capital Reserve	-	-
2. Capital Redemption Reserve	-	-
3. Share Premium	13,326,000	13,326,000
4. General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilised for buy-back	-	-
5. Catastrophe Reserve	-	-
6. Other Reserves	-	-
7. Balance of Profit in Profit & Loss Account	-	-
TOTAL	13,326,000	13,326,000

Schedules Annexed to and forming part of Balance Sheet as at 31st March, 2018

Schedule - 7 : Borrowings

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
1. Debentures/ Bonds	-	-
2. Banks	-	-
3. Financial Institutions	-	-
4. Others	-	-
TOTAL	-	-

Schedule - 8 : Investments - Shareholders

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
LONG TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	3,626,915	2,284,441
2. Other Approved Securities	1,453,734	1,113,250
3. Other Investments	-	-
(a) Shares	-	-
i) Equity	1,105,186	416,485
ii) Preference	-	-
(b) Mutual Funds	-	-
(c) Debentures/ Bonds	900,690	850,743
(d) Investment Property-Real Estate	-	-
(e) Other Securities	-	-
i) Fixed Deposits	-	-
ii) ETF - Exchange Traded Funds	10,194	-
4. Investments in Infrastructure and Housing	4,059,496	2,418,283
Sub-Total	11,156,215	7,083,202
SHORT TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	-	-
2. Other Approved Securities	-	-
3. Other Investments	-	-
(a) Shares	-	-
i) Equity	-	-
ii) Preference	-	-
(b) Mutual Funds	-	323,531
(c) Debentures/ Bonds	350,000	150,000
(d) Other Securities	-	-
i) Fixed Deposits	-	187,098
ii) Certificate of Deposits	-	-
iii) Commercial Papers	149,288	237,281
4. Investments in Infrastructure and Housing	199,942	480,700
Sub-Total	699,230	1,378,610
TOTAL	11,855,445	8,461,812

1. As per IRDAI Notification No. IRDAI/F&I /CIR/INV/093/04/2015 dated 30th April, 2015, the requirements in relation to Section 7 of Insurance Act, 1938 has been dispensed with.

2. Aggregate book value of Investments (other than listed equity, mutual funds and derivative instruments) is ₹ 10,538,318 thousand (previous year ₹ 7,660,787 thousand)

3. Aggregate market value of Investments (other than listed equity, mutual funds and derivative instruments) is ₹ 10,380,661 thousand (previous year ₹ 7,807,879 thousand)

Schedules Annexed to and forming part of Balance Sheet as at 31st March, 2018

Schedule - 8A : Investments- Policyholders

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
LONG TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	12,282,003	10,499,167
2. Other Approved Securities	5,485,948	4,947,305
3. Other Investments	-	-
(a) Shares	-	-
i) Equity	-	-
ii) Preference	-	-
(b) Mutual Funds	-	-
(c) Debentures/ Bonds	6,805,105	5,554,739
(d) Investment Property-Real Estate	-	-
(e) Other Securities	-	-
i) Fixed Deposits	31,100	31,100
ii) ETF - Exchange Traded Funds	-	-
4. Investments in Infrastructure and Housing	7,441,496	8,796,725
Sub-Total	32,045,652	29,829,036
SHORT TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	-	-
2. Other Approved Securities	-	-
3. Other Investments	-	-
(a) Shares	-	-
i) Equity	-	-
ii) Preference	-	-
(b) Mutual Funds	2,183,133	1,175,997
(c) Debentures/ Bonds	1,221,246	1,949,601
(d) Other Securities	-	-
i) Fixed Deposits	1,185,100	867,000
ii) Certificate of Deposits	-	-
iii) Commercial Papers	674,592	-
4. Investments in Infrastructure and Housing	3,756,750	1,337,670
Sub-Total	9,020,821	5,330,268
TOTAL	41,066,473	35,159,304

1. As per IRDAI Notification No. IRDAI/F&I /CIR/INV/093/04/2015 dated 30th April, 2015, the requirements in relation to Section 7 of Insurance Act, 1938 has been dispensed with.

2. Aggregate book value of Investments (other than listed equity, mutual funds and derivative instruments) is ₹ 38,883,339 thousand (previous year ₹ 34,018,207 thousand)

3. Aggregate market value of Investments (other than listed equity, mutual funds and derivative instruments) is ₹ 39,019,564 thousand (previous year ₹ 34,920,480 thousand)

Schedules Annexed to and forming part of Balance Sheet as at 31st March, 2018

Schedule - 9 : Loans

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
1. SECURITY-WISE CLASSIFICATION		
Secured		
(a) On mortgage of property		
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others	-	-
Unsecured	-	-
TOTAL	-	-
2. BORROWER-WISE CLASSIFICATION		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others	-	-
TOTAL	-	-
3. PERFORMANCE-WISE CLASSIFICATION		
(a) Loans classified as standard	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions	-	-
(aa) In India	-	-
(bb) Outside India	-	-
TOTAL	-	-
4. MATURITY-WISE CLASSIFICATION		
(a) Short Term	-	-
(b) Long Term	-	-
TOTAL	-	-

Schedules Annexed to and forming part of Balance Sheet as at 31st March 2018

Schedule - 10 : Net Fixed Assets

(₹ in '000)

Particulars	Cost/ Gross Block			Depreciation			Net Block		
	Opening	Additions during the year ended	Deductions/ adjustments during the year ended	As at 31 st March 2018	Up to Last year ended 31 st March 2018	For the year ended 31 st March 2018	On Sales/ Adjustments	As at 31 st March 2018	As at 31 st March 2017
Goodwill	-	-	-	-	-	-	-	-	-
Intangibles (Software)	1,626,855	120,797	-	1,747,652	1,422,483	131,193	-	1,553,676	204,372
Land-Freehold	-	-	-	-	-	-	-	-	-
Leasehold Improvements	412,749	11,896	305	424,340	327,670	44,500	235	371,935	85,079
Buildings	-	-	-	-	-	-	-	-	-
Furniture & Fittings	104,483	1,834	1,377	104,940	96,553	4,737	1,371	99,919	7,930
Information Technology Equipment	711,214	65,170	250	776,134	655,331	43,087	218	698,200	55,883
Vehicles	2,177	-	-	2,177	227	436	-	663	1,950
Office Equipment	164,069	10,026	1,378	172,717	151,562	11,192	1,372	161,382	12,507
Others	-	-	-	-	-	-	-	-	-
TOTAL	3,021,547	209,723	3,310	3,227,960	2,653,826	235,145	3,196	2,885,775	367,721
Work in progress	5,693	216,972	2,756	219,909	-	-	-	219,909	5,693
Grand Total	3,027,240	426,695	6,066	3,447,869	2,653,826	235,145	3,196	2,885,775	373,414
Previous year	2,832,101	230,247	35,108	3,027,240	2,301,223	353,605	1,002	2,653,826	373,414

Schedules Annexed to and forming part of Balance Sheet as at 31st March, 2018

Schedule - 11 : Cash and Bank Balances

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
1. Cash (including cheques, drafts and stamps)	82,499	80,131
2. Bank Balances	-	-
(a) Deposit Accounts	-	-
(aa) Short-term (due within 12 months)	-	-
(bb) Others	-	-
(b) Current Accounts	307,722	260,216
(c) Others	-	-
3. Money at Call and Short Notice	-	-
(a) With Banks	-	-
(b) With other Institutions	-	-
4. Others	-	-
TOTAL	390,221	340,347
Balances with non-scheduled banks included in 2 and 3 above	-	-
Cash and Bank Balances		
In India	390,221	340,347
Outside India	-	-
TOTAL	390,221	340,347

Schedule - 12 : Advances and Other Assets

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
ADVANCES		
1. Reserve deposits with ceding companies	-	-
2. Application money for investments	-	-
3. Prepayments	108,388	71,676
4. Advances to Directors/Officers	-	-
5. Advance tax paid and taxes deducted at source (Net of provision for taxation)	1,073	633
6. Security Deposits	81,037	73,380
7. Others	-	-
(a) Advances to Vendors and other parties	28,499	25,104
(b) Statutory Deposit towards filing Appeal	10,528	7,489
(c) Advances to Employees	735	868
(d) Advances to IRDAI (Certifications Fees)	220	220
TOTAL (A)	230,480	179,370
OTHER ASSETS		
1. Income accrued on investments	1,300,630	1,163,434
2. Outstanding Premiums	-	-
3. Agents' Balances	1,033	1,082
4. Foreign Agencies Balances	-	-
5. Due from other entities carrying on insurance business (including reinsurers)	2,842,396	1,492,723
6. Due from subsidiaries/ holding	-	-
7. Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]	-	-
8. Others	-	-
(a) Income Accrued on Deposits with Bank	4,181	2,13,718
(b) Asset held for unclaimed amount of policyholders	60,000	34,900
Add: Investment income accrued on unclaimed amount	1,504	2,579
(c) GST including Service tax	574,368	16,811
(d) Contracts For Sale of Securities	-	19,903
(e) Other	104	8,744
TOTAL (B)	4,784,216	2,953,894
TOTAL (A+B)	5,014,696	3,133,264

Schedules Annexed to and forming part of Balance Sheet as at 31st March, 2018

Schedule - 13 : Current Liabilities

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
1. Agents' Balances	218,154	114,298
2. Balances due to other insurance companies	5,145,349	2,729,439
3. Deposits held on re-insurance ceded	-	-
4. Premiums received in advance	63,207	82,989
5. Unallocated Premium	1,903,890	1,095,510
6. Sundry Creditors	1,466,774	882,443
7. Due to subsidiaries/ holding company	186,860	125,010
8. Claims Outstanding	19,501,565	14,588,683
9. Due to Officers/ Directors	-	-
10. Statutory Dues	51,670	54,936
11a. Service Tax - Liability	-	49,732
11b. GST - Liability	-	-
12. Unclaimed amount of policy holders	35,789	24,186
Add: Investment income accruing on unclaimed amount	3,093	1,735
13. Others		
(a) Contracts For Purchase of Securities	221,011	7,696
(b) Security Deposit From Others	50	50
TOTAL	28,797,412	19,756,707

Schedule - 14 : Provisions

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
1. Reserve for Unexpired Risk	15,505,860	16,654,600
2. For taxation (less advance tax paid and taxes deducted at source)	-	-
3. For proposed dividends	-	-
4. For dividend distribution tax	-	-
5. For Deferred Tax Liabilities	-	-
6. Employee Benefits	-	-
7. For Gratuity	23,646	22,969
8. For Leave Entitlement	59,623	55,923
9. Others	-	-
TOTAL	15,589,129	16,733,492

Schedule - 15 : Miscellaneous Expenditure

(to the extent not written off or adjusted)

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
1. Discount Allowed in issue of shares/ debentures	-	-
2. Others	-	-
TOTAL	-	-

Schedules Annexed to and forming part of the Revenue Account(s) and Profit and Loss Account for the financial year ended 31st March, 2018 and to the Balance Sheet as at 31st March, 2018

Schedule – 16: Significant Accounting Policies and Notes to Financial Statements

1. Background

SBI General Insurance Company Limited (“the Company”) was incorporated on February 24, 2009 as a public limited company under the Indian Companies Act, 1956 (“the Act”) and is currently a 74:26 joint venture between State Bank of India (SBI) and IAG International Pty Limited, a subsidiary of Insurance Australia Group Limited respectively. The Company is registered with Insurance Regulatory and Development Authority of India (“IRDAI”) with certificate of registration No. 144 dated 15th December, 2009 and is in the business of General Insurance in India.

The Certificate of Registration granted by the Insurance Regulatory and Development Authority of India (“IRDAI”) to enable the Company to transact General Insurance business continues to stand valid as on 31st March, 2018 and the same has been renewed for the year 2018-2019.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) followed in India under the historical cost convention for investments and accrual basis of accounting as modified for instalment premium. The financial statements are prepared in accordance with the statutory requirements of the Insurance Act, 1938, Insurance Regulatory and Development Authority of India (IRDAI) Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 (“The Regulations”) and guidelines/directions prescribed by the IRDAI in this behalf, the Companies Act, 2013 to the extent applicable and duly comply with the accounting standards issued by the Institute of Chartered Accountants of India (ICAI) (to the extent applicable to General Insurance Companies) and current practices prevailing in the general Insurance industry. The financial statement are presented in Indian Rupees rounded off to the nearest thousand. Accounting policies applied are followed consistently unless otherwise stated.

2.2 Use of Estimates

The preparation of financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in preparation of the 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 recognised prospectively in current and future periods. Actual results may differ from these estimates and assumptions.

2.3 Revenue Recognition

(i) Premium

Premium including reinsurance accepted (net of Goods & service tax) is recorded in the books at the commencement of risk. In case the premium is recovered in instalments, amount to the extent of instalment due is recorded on the due date of instalment. Premium (net of Goods & service tax) including reinstatement premium on direct business and reinsurance accepted, is recognised as income over the contract period or the period of risk, whichever is appropriate, on a gross basis under 1/365 method. Any subsequent revision to premium is recognised over the remaining period of risk or contract period. Adjustments to premium income arising on cancellation of policies are recognised in the period in which they are cancelled.

(ii) Income earned on Investments:

Interest income will be recognised on accrual basis. Dividend income is recognised when the right to receive the dividend is established. Investment income as above, including profit/ losses on sale of securities shall be allocated between the revenue account and profit and loss account in the proportion of average policyholder’s funds (comprising of net reserves for unexpired risks, IBNR, IBNER and outstanding claims) to average shareholder’s funds (comprising of Share capital & capital reserves adjusted upwards/downwards with accumulated profits/ losses, as the case may be, preliminary expenses and miscellaneous expenditure to the extent not written off or adjusted). Within the Revenue Account, the investment income shall be further allocated among the lines of business in the proportion of the average policyholders funds.

(iii) Premium/discount on purchase of investments

Premium or discount on acquisition, as the case may be, in respect of fixed income securities and non convertible preference shares is amortised/ accreted on constant yield basis over the period of maturity/holding.

(iv) Gain/loss on sale/redemption of investments

Gain or loss on sale/redemption of investments is recognised on the trade date/redemption date. The Gain/ Loss is the difference between the sale/redemption consideration net of transaction cost and the cost of securities arrived at on weighted average cost basis. In respect of listed equity shares and mutual fund units, the gain/loss also includes the accumulated changes in the fair value/market value previously recognised through the fair value change account for the specific investments sold/ redeemed during the year.

(v) Commission on Reinsurance Ceded

Commission received on reinsurance ceded is recognised as income in the period in which reinsurance risk is ceded. Profit commission under re-insurance treaties, wherever applicable, is recognised as income in the year of final determination of the profits as intimated by Reinsurer and combined with commission on reinsurance ceded.

2.4 Reinsurance ceded

In respect of proportional reinsurance ceded, the cost of reinsurance ceded is accrued at the commencement of risk. Non-proportional reinsurance cost is recognised when due. Non-proportional reinsurance cost is accounted as per the terms of the reinsurance arrangements. Any subsequent revision to, refunds or cancellations of premiums is recognised in the period in which they occur.

2.5 Reinsurance Accepted

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

2.6 Acquisition Costs

Acquisition costs are expensed in the period in which they are incurred. Acquisition costs are defined as costs that vary with, and are primarily related to, the acquisition of new and renewal insurance contracts viz., commission, policy issue expenses etc. The primary test for determination as acquisition cost is the obligatory relationship between the costs and the execution of the insurance contracts (i.e. commencement of risk).

2.7 Premium Received in Advance

Premium Received in Advance which represents premium received prior to the commencement of the risk is shown separately under the head "Current Liabilities" in the financial statements and is recorded as income on the date of commencement of risk.

2.8 Reserve for Unexpired Risk

Reserve for Unexpired risk is that part of the net premium written (i.e., premium net of reinsurance ceded) that is attributable to, and to be allocated to succeeding accounting periods on contract period basis or risk period basis, whichever is appropriate. Such reserves are calculated on a pro-rata basis under 1/365 basis.

2.9 Premium Deficiency

If the ultimate amount of expected net claim costs (as calculated and certified by the Actuary), related expenses and maintenance costs in respect of unexpired risks at the end of the accounting period exceeds the sum of related premium carried forward to the subsequent accounting period as the reserve for unexpired risk, the same is recognised as premium deficiency.

Premium deficiency is calculated on annual basis and at the company level and excludes the impact of Motor Third Party Pool.

2.10 a. Claims Incurred

Claim is recognised as and when a loss occurrence is reported.

Claim is recognised by creation of provision for the amount of claim payable as estimated by the management based on available information and past experience, on receipt of claim notification. Such provision is reviewed/modified as appropriate on the basis of additional information as and when available.

Amounts received/receivable from the re-insurers/co-insurers, under the terms of the reinsurance and coinsurance arrangements respectively, is recognised together with the recognition of the claim.

Provision for claims outstanding payable as on the date of Balance Sheet is net of reinsurance, salvage value and other recoveries as estimated by the management.

Claims paid (net of recoveries including value of salvage retained by the insured and interest, if any, paid on the claims) is charged to the respective revenue account when approved for payment. Where salvage is taken over by the Company, the recoveries from sale of salvage are recognised at the time of such sale.

b. IBNR and IBNER (Claims Incurred But Not Reported and Claims Incurred But Not Enough Reported)

Provision in respect of claim liabilities that have been incurred before the end of the accounting year but are -

1. Not yet reported or claimed (IBNR) or
2. Not enough reported i.e. reported with information insufficient for making a reasonable estimate of likely claim amount (IBNER)

The provision is made according to the amount determined by the Appointed Actuary based on actuarial principles in accordance with the Institute of Actuaries of India Actuarial Practice Standards and Guidance Notes and IRDAI regulations and guidelines.

2.11 Operating Expenses related to the Insurance Business

Operating expenses related to the insurance business is allocated to specific business segments in the following manner:

- a) Expenses which are directly identifiable to the specific business segments are allocated to the respective business segments on actuals;
- b) Expenses which are not directly identifiable to any specific business segment are apportioned in the proportion of net written premium accounted during the relevant year.

The method of apportionment is based on the nature of the expenses and their logical correlation with various business segments, wherever possible.

2.12 Property, Plant and Equipments

Tangible assets are carried at cost less accumulated depreciation/amortisation.

Cost includes acquisition price and all attributable cost of bringing the asset to its working condition such as site preparation, installation costs and professional fees incurred on the asset before it is put to use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefits from such assets or their functioning capability.

Depreciation/Amortisation on tangible assets is provided on straight line method as per the basis of their estimated useful life determined by the management as under, not longer than those prescribed under Schedule II of the Companies Act, 2013

Asset Class	Estimated Useful Life (in years)	Depreciation Rate (in %)
Items costing upto ₹20,000 each	Depreciated fully in the year in which put to use	
Information Technology Equipments	3 years	33.33%
Vehicles	5 years	20.00%
Office Equipments	4 years	25.00%
Electrical Fittings	4 years	25.00%
Furnitures and Fixtures	5 years	20.00%
Leasehold improvements	5 years or primary lease period which is shorter	

In respect of assets purchased/disposed off during a financial year, depreciation is provided on a pro rata basis from/ upto the date in which the asset is put to use/disposed off respectively.

Intangible Assets

The estimated useful life of intangibles and amortisation period are reviewed at the end of each financial year and accordingly revised to reflect the correct pattern.

Asset Class	Estimated Useful Life (in years)	Depreciation Rate (in %)
Computer Software* (Intangible)	3 years	33.33%

**Other than Embedded software or software which comes pre installed alongwith the hardware, which is depreciated on the same rate as the Information Technology Equipments.*

Capital Work-in-progress (CWIP) includes assets not ready for the intended use and are carried at cost comprising direct cost and related incidental expenses.

2.13 Impairment of assets

Property, Plant and Equipments are reviewed for impairment at the end of the year whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of an asset to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such an asset is considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the recoverable amount of the asset.

2.14 Investments

Investments are accounted for in accordance with the extant regulatory guidelines. Investments are recorded on trade date.

Classification

All debt securities are considered as 'held to maturity'.

Investments maturing within 12 months from the balance sheet date and investments made with the specific intention to dispose off within 12 months from the balance sheet date are classified as short-term investments. Investments other than short term investments are classified as long-term investments.

Acquisition cost

Brokerage, commission and other transaction cost paid in connection with acquisition of investments are included in cost.

Broken period interest paid/received on debt instruments is excluded from cost/sale consideration.

Cost is determined on the weighted average cost method.

Valuation

Debt Securities

Each security under "Held to Maturity" category is carried at its amortised cost. Any premium/ discount on acquisition is amortised/ accreted over the remaining maturity period of the security on constant yield basis. Such amortisation/ accretion of premium/ discount is deducted from/ added to interest income.

If interest and/or instalment in respect of a debt security is not received within 90 days from the date on which such interest/instalment was due, the said debt security is considered impaired. The interest on such impaired securities is not recognised on accrual basis but recognised as income only on realisation. Estimated loss in the value of the security on account of such impairment is recognised as expense in the Revenue Account(s) or Profit & Loss Account, as the case may be.

The realised gain or loss on the securities shall be the difference between the sale consideration net off brokerage and taxes and the amortised cost in the books of the Company as on the date of sale determined on weighted average cost basis.

Equities (Listed & Actively Traded)

Listed and actively traded securities shall be valued at the last quoted closing prices on the National Stock Exchange of India Limited, which is the primary exchange, as of the Balance Sheet date. In case, the shares are not listed/not traded in NSE the valuation shall be done at the last quoted closing price on the Bombay Stock Exchange, which is the secondary exchange for valuation purpose. Unrealised gains or losses shall be credited/debited to the fair value change account.

Equity Diminution Policy

Once a scrip is tested for impairment, the difference between current market price and cost shall be treated as diminution. A diminution in the value of investments shall be recognised as an expense in Revenue/Profit and Loss

Account to the extent of the difference between the re-measured fair value of the Investment and its Cost as reduced by any previous diminution in value of investments is recognised as expenses in Revenue/Profit and Loss Account. Any reversal of diminution in value of investments earlier recognised in Revenue/Profit and Loss Account shall be recognised in Revenue/Profit and Loss Account.

The SBIG Equity Diminution Policy incorporates 3 tests for determining impairment. i.e. determining if the loss is other than temporary in nature:

1. Average market price (daily closing price on the NSE) of last 12 months is at least 30% lower than the cost of the scrip or
2. Average market price(daily closing price on the NSE) of last 24 months is lower than cost or
3. Qualitative parameters which signify permanent loss in value including significant financial distress of the issuer, bankruptcy, significant downgrade of the credit rating, large frauds, disappearance of active market

The threshold used for significant loss, in criteria 1 above (30%) shall be reviewed annually in the last quarter of the financial year. The 3 year average of 52 week India NSE volatility Index shall serve as benchmark for determining the threshold level for significant loss. In general, the rounding up of the 3 year average to higher semi-decimal should be a good benchmark to be used for determining the threshold limit.

Mutual Fund Units

Mutual fund units are valued at their Net Asset Value ('NAV') as on the balance sheet date. Unrealised gains or losses are credited/debited to the fair value change account.

Fair Value Change Account

Unrealised gains or losses held in the Fair Value Change Account will not be available for distribution as dividend. On realisation, such gains or losses are recognised as revenue. Further, the Fair value change is disclosed separately for Policyholders and Shareholders in the Financial Statements.

Transfer of Securities to Policy Holders fund

Where securities are transferred to the policy holders Account this shall be at market price or amortised cost price, whichever is lower.

Investments of Policy Holders and Shareholders

The company has prepared Schedule 8 and Schedule 8A for Investments indicating bifurcation between Shareholders and Policyholders, respectively.

Allocation of investment income

Investment income has been allocated between revenue account(s) and profit and loss account on the basis of the ratio of average policyholders funds (comprising of net reserves for unexpired risks,IBNR, IBNER and outstanding claims) to average shareholder's funds(comprising of Share capital & capital reserves adjusted upwards/downwards with accumulated profits/ losses, as the case may be, preliminary expenses and miscellaneous expenditure to the extent not written off or adjusted) respectively; average being the balance at the beginning of the year and at the end of the year. Further, investment income within the revenue account(s) has been allocated in the proportion of average policyholders funds.

2.15 Foreign Currency Transactions

Transactions denominated in foreign currencies, if any, are recorded at the exchange rate prevailing on the date of the transaction. Assets and Liabilities in foreign currency, if any, as at the balance sheet date are converted at the exchange rates prevailing at that date and the exchange rate difference either on settlement or on translation is recognised in the revenue account(s) or profit and loss account, as applicable.

2.16 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. The undiscounted amount of short-term employee benefits, such as non accumulating compensated absences etc. which are expected to be paid in exchange for the services rendered by employees are recognised during the year when the employee renders the service.

ii) Post Employment Benefits:

a. Defined Contribution Plan

All eligible employees are entitled to receive benefits under the Provident Fund Scheme and such other fund. The

employees and the Company contribute monthly at a determined rate. These contributions are remitted to respective Provident Fund Authorities and are charged to Profit and Loss Account during the period.

b. Defined Benefit Plan

The Company provides gratuity to all eligible employees, actuarial valuation of the same is done at the end of the year. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service as per applicable law. Vesting occurs upon completion of five years of service. The gratuity benefits shall be internally funded by the company.

The cost of providing defined benefits shall be determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/losses arising from change in assumptions shall be immediately recognised in the statement of profit and loss and are not deferred.

c. Other Long Term Employee benefits

All eligible employees of the company are eligible for accumulated compensated absences. The costs of such long term employee benefits shall be internally funded by the company.

The cost of providing other long term benefits shall be determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. Past service cost shall be immediately recognised in the statement of profit and loss and shall not be deferred.

2.17 Operating Leases

The Company's significant leasing arrangements include lease agreements for office and residential premises. Lease rentals for assets taken on operating lease are recognised as an expense in the profit and loss account over the lease term on straight line basis.

2.18 Earnings per Share

The Company reports basic and diluted earnings per share in accordance with AS 20 - 'Earnings Per Share' issued by the ICAI. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding at the end of the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares are to be exercised or converted. Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end.

2.19 Provision for Taxation

Income tax expense is the aggregate amount of current tax, deferred tax. Current year taxes are determined in accordance with the provisions of Accounting Standard 22 and tax laws prevailing in India. Deferred tax adjustments comprise of changes in the deferred tax assets or liabilities during the year.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted prior to the balance sheet date. Deferred tax assets and liabilities are recognised on a prudent basis for the future tax consequences of timing differences arising between the carrying values of assets and liabilities and their respective tax basis, and carry forward losses. The impact of changes in the deferred tax assets and liabilities is recognised in the profit and loss account.

Deferred tax assets are recognised and reassessed at each reporting date, based upon management's judgement as to whether realisation is considered certain. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future profits.

2.20 Provisions and Contingent liabilities

In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the ICAI, the Company recognises provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

No provision is recognised for

- i. any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- ii. any present obligation that arises from past events but is not recognised because

a. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

b. a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities under notes to accounts. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognised in the financial statements as this may result in the recognition of income that may never be realised.

2.21 Goods & Service Tax (GST)

Goods and Service Tax collected shall be recorded as liability to Government Authorities on collection. Tax paid for eligible input services, to the extent admissible, shall be adjusted against such liability and the net liability shall be remitted to the appropriate tax authority as stipulated. Unutilised credits of Goods and service Tax Paid shall be carried forward as "Other Assets" to subsequent period(s). Goods and Service Tax paid on services which are not eligible input services and therefore not admissible as credits for Goods and service Tax collected and payable, shall be recognised as an expense in the period in which it is incurred.

2.22 Share Issue Expenses

The share issue expenses shall be written off to the Profit and Loss account in the same financial year in which they are incurred.

2.23 Cash and Cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits with banks, balances with other banks in current account and money at call and short notice.

2.24 Receipts and Payments Account

Receipts and Payments Account is prepared and reported using the Direct method, in conformity with para 2.2 of the Master circular on Preparation of Financial Statements of General insurance Business dated October 5, 2012 issued by IRDAI.

2.25 Provision for bad & doubtful debts & write off:

Any receivable/ recoverable overdue for over 3 years shall be provided as bad & doubtful debts and accordingly adjusted.

3. Notes to Financial Statements

3.1 Contingent Liabilities

a. Contingent liabilities not provided for in respect of claims against the Company not acknowledged as debts

(₹ in '000)

	Particulars	As at 31 st March, 2018	As at 31 st March, 2017
a)	Partly paid up investments	Nil	Nil
b)	Underwriting commitments outstanding	Nil	Nil
c)	Claims other than those under policies, not acknowledged as debts	Nil	Nil
d)	Guarantees given by or on behalf of the Company	Nil	Nil
e)	Statutory demands/liabilities in dispute, not provided for, in respect of Income Tax	Nil	670
f)	Reinsurance obligations to the extent not provided for in accounts	Nil	Nil
g)	Others Expenses not recognised, to the extent disputed	33,934	7,934

b. The company has impact of pending litigations on its financial statements of ₹19,254 thousand.
(Previous Year: ₹16,010 thousand)

3.2 Capital Commitments

a. Commitments made and outstanding for Loans and Investments: ₹Nil (Previous Year: ₹Nil).

b. Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹85,935 thousand
(Previous Year: ₹211,525 thousand).

3.3 Encumbrances on Assets

The assets of the company are free from all encumbrances.

3.4 Investments

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

(₹ in '000)

Asset Type	Nature Of Transaction	31 st March, 2018	31 st March, 2017
Equity	Sales	0	19,903
Govt. Securities	Sales	0	0
Govt. Securities	Purchases	210,764	0
Equity	Purchases	14,913	9,321

b. Company has no investments in immovable property, derivative instruments.

c. Investments made are in accordance with the Insurance Act, 1938 and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016.

d. The Company has no non-performing assets for the purpose of income recognition as per the directions of IRDAI.

e. Investments that are earmarked, are allocated separately to policy holders or share holders, as applicable.

f. Historical Cost of Investments which have been valued on a fair value basis :

Mutual Funds: ₹2,179,300 thousand (Previous Year: ₹1,498,600 thousand)

Equity Shares: ₹1,386,085 thousand (Previous Year: ₹486,685 thousand)

Exchange Traded Fund: ₹9,820 thousand (Previous Year: NIL thousand)

As per the policy, Mutual fund units are valued at their Net Asset Value ("NAV") as on the balance sheet date. However, in the event of the balance sheet date being a holiday/non-business day, the NAV for valuation of the fund is considered as published for the last working day.

g. The aggregate market value and cost of investments held as of the Balance Sheet date are as follows:

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Aggregate Market Value of Investments other than Listed Equity, ETF and Mutual Funds	49,400,225	42,728,359
Aggregate Amortised Cost of Investments other than Listed Equity, ETF and Mutual Funds	49,421,657	41,678,994

h. Investments under Section 7 of the Insurance Act, 1938:

As per IRDAI Notification No. IRDAI/F&I/CIR/INV/093/04/2015 dated 30th April, 2015, the requirements in relation to Section 7 of Insurance Act, 1938 has been dispensed with.

3.5 Loan Restructuring

The Company has not given any loans during the financial year and in the previous year.

3.6 Premium

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

b. Premium income recognised on "Varying Risk Pattern" is ₹ Nil (Previous year: ₹ Nil)

3.7 Sector wise details of the policies issued/outstanding are given below:

Sector	For the year ended March 31, 2018			
	GWP (₹ in '000)	No of Policies*	No of lives	% of GWP
Rural	13,042,900	1,675,975		36.80%
Social	2,052,506	0	6,362,731	5.79%
Urban	20,346,597	1,346,923		57.41%
Total	35,442,003	3,022,898	6,362,731	100.00%

Sector	For the year ended 31 st March, 2017			
	GWP (₹ in '000)	No of Policies*	No of lives	% of GWP
Rural	10,101,573	907,373		38.79%
Social	1,647,506	0	6,135,303	6.33%
Urban	14,295,779	714,466		54.88%
Total	26,044,858	1,621,839	6,135,303	100.00%

* including endorsements

3.8 Contribution to Pool

Terrorism Pool:

In accordance with the requirement of IRDAI, the Company is a participant in and has received the Terrorism Pool retrocession of premium in the current financial year. Accordingly as per the statement received from the Pool managers, the Company has recognised the pool retrocession up to 31st December, 2017, the accounts for which were received till end of the financial year.

Nuclear Pool:

In view of the passage of the Civil Liability for Nuclear Damage Act, 2010, GIC Re as Indian Reinsurer initiated the formation of the India Nuclear Insurance Pool (INIP) along with other domestic non-life insurance companies by pooling the capacity to provide insurance covers for nuclear risks. INIP is an unregistered reinsurance arrangement among its members i.e. capacity providers without any legal entity. GIC Re and 11 other non-life insurance companies are Founder Members with their collective capacity of ₹15,000,000 thousand. The leader for the policy issued to Nuclear Power Corporation of India(NPCI) is New India Assurance, in which member companies have a co-insurance risk sharing.

GIC Re is also appointed as the Pool Manager of the INIP. The business underwritten by the INIP will be retroceded to all the Member companies including GIC Re in proportion of their capacity collated. Out of the total capacity of ₹15,000,000 thousand of the INIP, the capacity provided by the Company is ₹1,50,000 thousand. The Company has booked its share of retrocession from the INIP based on statements received from the INIP Administrator.

3.9 Contribution to Solatium Fund

In accordance with the requirement of IRDAI circular dated March 18, 2003 and based on the recommendation made by the General Insurance Council vide letter dated July 26, 2010, the Company has provided 0.1% of all the Third Party premiums (excluding reinsurance premiums accepted on motor third party for commercial vehicles) towards contribution to the Solatium Fund.

3.10 Environment Relief Fund

An amount of ₹92 thousand is outstanding as at 31st March, 2018(Previous year: ₹ Nil thousand) towards Environment Relief Fund (ERF) under the Public Liability Compulsory Insurance Act, 1991.

3.11 Reinsurance Regulations

As per Insurance Regulatory and Development Authority (General Insurance – Reinsurance) Regulations, 2013, surplus over and above the domestic reinsurance arrangements class-wise can be placed by the (re)insurer independently with any of the reinsurers complying with sub-regulation (7) subject to the following limits of the total reinsurance premium ceded outside India being placed with any one reinsurer:

Rating of Reinsurers (as per Standard & Poor and applicable to other equivalent international rating agencies)	Limit of cession allowed under Regulation 3(11)
BBB of Standard & Poor	10%
Greater than BBB and up to & including AA of Standard & Poor	15%
Greater than AA up to & including AAA of Standard & Poor	20%

In terms of these Reinsurance Regulations, the company has submitted details for the financial year 2017-18 to IRDAI, in respect of its reinsurance arrangements, within the timelines prescribed by IRDAI.

3.12 Extent of risks retained and reinsured is set out below (excluding risk and catastrophe excess of loss reinsurances, Terrorism Premium Inward and Decline Pool)

Particulars	Basis	For the Year ended 31 st March, 2018				
		Gross Premium (₹ in '000)	Retention (₹ in '000)	Ceded (₹ in '000)	Retention %	Ceded %
*Fire	Total sum insured	7,936,517	(2,333,582)	10,270,099	(29.40)%	129.40%
Marine – Cargo	Value at risk	172,041	161,630	10,412	93.95%	6.05%
Marine – Hull	Value at risk	-	-	-	-	-
Miscellaneous		-	-	-	-	-
Engineering	Total sum insured	248,959	112,131	136,828	45.04%	54.96%
Motor	Total sum insured	9,781,707	9,292,623	489,084	95.00%	5.00%
Workmen Compensation	Value at risk	18,879	10,136	8,743	53.69%	46.31%
Public Liability	Value at risk	92,619	24,801	67,818	26.78%	73.22%
Personal Accident	Value at risk	4,661,469	4,405,049	256,419	94.50%	5.50%
Health	Value at risk	4,734,385	4,497,665	236,719	95.00%	5.00%
Weather/Crop	Value at risk	7,002,978	1,256,248	5,746,730	17.94%	82.06%
Others	Value at risk	828,517	646,870	181,647	78.07%	21.93%
Aviation	Value at risk	-	-	-	-	-
Inward Fire	Total sum insured	-	-	-	-	-
Total		35,478,071	18,073,572	17,404,499	50.94%	49.06%

*Includes cedings of FY 2015-16 & prior years.

Particulars	Basis	For the Year ended 31 st March, 2017				
		Gross Premium (₹ in '000)	Retention (₹ in '000)	Ceded (₹ in '000)	Retention %	Ceded %
Fire	Total sum insured	7,190,492	2,146,505	5,043,986	29.85%	70.15%
Marine – Cargo	Value at risk	182,974	171,824	11,150	93.91%	6.09%
Marine – Hull	Value at risk	-	-	-	0.00	0.00
Miscellaneous		0.00	0.00	0.00	0.00	0.00
Engineering	Total sum insured	205,058	86,975	118,083	42.41%	57.59%
Motor	Total sum insured	6,807,881	6,467,487	340,394	95.00%	5.00%
Workmen Compensation	Value at risk	17,020	8,992	8,028	52.83%	47.17%
Public Liability	Value at risk	55,050	14,602	40,447	26.53%	73.47%
Personal Accident	Value at risk	4,200,834	3,982,702	218,132	94.81%	5.19%
Health	Value at risk	3,724,339	3,538,122	186,217	95.00%	5.00%
Weather/Crop	Value at risk	3,115,228	257,305	2,857,923	8.26%	91.74%
Others	Value at risk	559,049	417,422	141,067	74.67%	25.33%
Aviation	Value at risk	-13,066	126	-13,192	-0.96%	100.96%
Inward Fire	Total sum insured	-487	-32	-456	6.53%	93.47%
Total		26,044,371	17,092,050	8,952,321	65.63%	34.37%

The Company has ceded premium of ₹853,428 thousand (Previous Year: ₹696,536 thousand) towards Excess of Loss Cover.

3.13 Premium Deficiency

The Appointed Actuary determined that a premium deficiency is not required to be provided for the year ended 31st March, 2018 as per Schedule II of the Assets, Liabilities, and Solvency Margin of General Insurance Business) Regulations, 2016 . This is because the sum of expected claim costs, related expenses and maintenance costs in

respect of unexpired risks does not exceed the related unearned premiums at the insurer level after exclusion of the impact of Motor Third Party Pool.

The expected claims cost with respect to unearned premiums has been based on the 2019 financial year board approved business forecasts.

The impact of Motor TP Pool was excluded as is allowed by IRDAI Circular IRDA/F&A/CIR/FA/126/07/2013 dated July 3, 2013.

3.14 Claims

Claims are recognised as and when a loss occurrence is reported.

Claims paid (net of recoveries including value of salvage retained by the insured and includes interest, if any, paid on the claims and all expenses directly incurred in relation to their assessment) are charged to the respective revenue account when approved for payment. Where salvage is taken over by the Company, the recoveries from sale of salvage are recognised at the time of such sale.

Estimated liability for outstanding claims at the year end are based on survey reports, information provided by clients, advices of leaders and other sources upto the date of finalisation, past experience and other applicable laws. The estimates are continually reviewed and provisions made accordingly. However the final liability may be in excess of, or less than, the amount provided, for which any adjustments will be reflected in the periods in which they become known. Estimated liability for outstanding claims include :

- a. In respect of direct business, claim intimations received up to the year end
- b. In respect of reinsurance and co insurance where the company is not leader, as per the terms of the reinsurance and coinsurance arrangements and advices received as of different dates of subsequent year upto the date of finalisation of accounts or on estimation basis wherever advices not received.
- c. In respect of motor third party claims where court summons have been served on the Company without adequate policy particulars to establish liability of the Company, provision is made as under:
 - i. 100% of the estimated liability, where such claims are outstanding for more than one year
 - ii. Appropriate actuarial estimates , for all such claims for which court summons have been served on the Company during the year.

Interest on motor accidental claims tribunal (MACT) claims is provided based on the prevailing trends in the motor third party claim awards.

- a. All claims, net of reinsurance, are incurred and paid in India except for Marine insurance where consignments are exported from India and Overseas Travel insurance.

(₹ in '000)

Particulars	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
In India	8,246,634	8,133,070
Outside India	4,953	2,703

- b. Ageing of claims payable (excluding IMTPIP and DR Pool figures) is set out as under:

(₹ in '000)

Particulars	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
More than six months	8,197,529	7,817,343
Others	4,048,536	4,538,577

- c. There are no insurance contracts where the claim payment period exceeds four years. Consequently actuarial assumption for determination of liability thereof is not applicable.

3.15 Basis used by Actuary for determining provision required for IBNR/IBNER

The IBNR (including IBNER) incorporated in the financial statements is certified by the Appointed Actuary and is calculated based on actuarial principles in accordance with the Institute of Actuaries of India Actuarial Practice Standards and Guidance Notes and IRDAI regulations and guidelines. It takes account of exposure and claim patterns by major Line of Business. A combination of projection and assumption selection methods was used including the Bornhuetter-Ferguson,

Chainladder, Ultimate Loss Ratio and claim size severity. Methods were the same as last year. The provision contains an allowance for future indirect and direct claims handling expenses relating to claims already incurred and for a prudential margin over the central estimate to increase the probability of adequacy to be greater than 50%.

3.16 Basis of Allocation of Investment Income & Operating Expenses

a. Investment income and related expenses are allocated on the basis of average Policyholders funds and average shareholder's funds.

b. Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

1. Expenses that are directly identifiable to a business class are allocated on actual;
2. Other Expenses, that are not directly identifiable, are broadly allocated on net written premium in each business class; and
3. Depreciation is allocated on net written premium in each business class.

3.17 Foreign Exchange Gain/Loss

a. Foreign exchange loss (net) incurred during the year is ₹517 thousand (Previous year: ₹1,435 thousand).

b. The year end foreign currency exposure is ₹20,568 thousand (Previous year: ₹44,360 thousand).

c. Expenses in foreign exchange are ₹792,220 thousand (Previous year: ₹878,343 thousand).

3.18 Managerial Remuneration

Remuneration to the MD & CEO for the current year was ₹5,300 thousand (Previous Year was ₹4,658 thousand) The MD & CEO has been deputed from the parent organisation.

3.19 Employee Benefits

Defined Benefits Plans

The following table sets out the status of the gratuity plan as required under AS 15 'Accounting for retirement benefits in the financial statements of employers (Revised 2005)' issued by the ICAI;

(₹ in '000)

	Gratuity	As at 31 st March, 2018	As at 31 st March, 2017
1	Assumptions		
	Discount Rate	7.37%	6.75%
	Expected rate of return on assets	7.37%	6.75%
	Increase in Compensation cost	11.00%	11.00%
	Average Future Working Life (in Years)	33.4	33.1
2	Change in Defined Benefit Obligations		
	Opening Defined Benefits Obligation	94,721	69,431
	Current service cost	28,023	22,157
	Interest cost on benefit obligation	5,693	5,135
	Actuarial losses (gains)	12,629	9,439
	Benefits paid	(20,751)	(11,441)
	Closing Defined Benefits	120,315	94,721
3	Change in Fair Value of Plan Assets		
	Fair Value of Plan Assets at the beginning of the period	71,751	51,753
	Contributions during the period	40,336	22,025
	Expected Return on Plan Assets for the period	6,010	3,109
	Benefits Paid during the period	(20,751)	(11,441)
	Actuarial Gain/(Loss) on Plan Assets	(677)	6,306
	Fair Value of Plan Assets at the end of the period	96,669	71,751
4	Amount Recognised in Balance Sheet		
	Present Value of Obligations	120,315	94,721

	Fair Value of Plan Assets	96,669	71,751
	Asset/(Liability) Recognised in Balance Sheet	(23,646)	(22,970)
5	Net Cost Recognised in the Expense Account		
	Current service cost	28,023	22,157
	Interest cost on benefit obligation	5,693	5,135
	Expected return on plan assets	(6,010)	(3,109)
	Net actuarial (gain)/loss recognised in the year	13,306	3,134
	Actuarial Determined charge for the year (A)	41,012	27,317
	Shortfall/(Excess) (B)		
	Net benefit expense (A+B)	41,012	27,317

The gratuity fund is managed by a life insurance company.

The contribution expected to be made by the Company during the financial year 2018-19, amounts to ₹33,352 thousand. (Previous year ₹26,562 thousand).

Accrued Leave

The Company has a scheme for accrual of leave for employees, the liability for which is determined on the basis of Actuarial Valuation carried out at the year end. Accordingly, an amount of ₹59,623 thousand (Previous year ₹55,923 thousand) has been provided for in the financial statements.

3.20 Segmental Break up of Balance Sheet and Profit & Loss Account as at 31st March, 2018.

The Company's primary reportable segments are business segments, which have been identified in accordance with the Regulations. Investment Income and Operating Expenses have been allocated as mentioned in note no. 3.16. Segmental Assets & Liabilities have been identified to the extent possible.

(₹ in '000)

Particulars	As at 31 st March, 2018			
	Fire	Marine	Miscellaneous	Total
Claims Outstanding including IBNR	887,260	118,061	18,496,244	19,501,565
	(843,769)	(128,971)	(13,615,942)	(14,588,682)
Reserve for Unexpired Risk	4,402,731	54,458	11,048,671	15,505,860
	(8,307,149)	(43,345)	(8,304,106)	(16,654,600)

(Previous year figures are given in brackets)

Segmental Revenue Account have been set out in a separate statement in Annexure 'A' to this schedule.

There are no reportable geographical segments since the Company provides services to customers in the Indian market only and does not distinguish any reportable regions within India.

3.21 Related Party Disclosures

Related party disclosures have been set out in a separate statement Annexure 'B' to this schedule. The related parties, as defined in AS 18 'Related party Disclosures' issued by the ICAI, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons and taken on record by the Board.

3.22 Assets taken on Lease

Company's significant leasing arrangements include agreements for office and residential premises. As per AS 19 'Accounting for leases' issued by ICAI, the future minimum lease payments relating to these leases are as under:

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Payable not later than 1 year	255,307	259,017
Payable later than one year but not later than five years	683,787	523,614
Payable later than five years	222,984	191,065

The amount charged to revenue accounts for lease is ₹271,948 thousand (Previous Year: ₹272,520 thousand). There are no transactions in the nature of sub-leases.

3.23 Earnings Per Share (“EPS”)

EPS calculations are as per AS 20 ‘Earnings Per Share’ issued by ICAI, the following table reconciles the numerator and denominator used to calculate basic and diluted EPS:

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Profit/(Loss) after Tax [A] (₹ in thousand)	3,956,946	1,526,564
Profit/(Loss) after Tax before extra-ordinary items [B] (₹ in thousand)	3,956,946	1,526,564
Weighted average number of equity shares (par value of ₹ 10 each) [C]	215,500,000	211,664,384
Basic and diluted earnings per share [A/C]	18.36	7.21
Basic and diluted earnings per share excluding extraordinary items [B/C]	18.36	7.21

As there were no dilutive equity shares or potential equity shares issued, no reconciliation between the denominator used for computation of basic and diluted earnings per share is necessary.

3.24 Taxation

The Company has accounted for net deferred tax assets, as a matter of prudence in accordance with AS 22 “Accounting for Taxes on Income” issued by the ICAI.

Break-up of deferred tax assets and liabilities into major components of the respective balance as on 31st March, 2018 are as under:

(₹ in '000)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Deferred Tax Assets		
Section 43(b) & 40(a) of Income tax Act	-	52,177
Unexpired Risk Reserve	283,024	651,039
Unabsorbed Depreciation	-	727,168
WDV of Assets	82,799	-
Unabsorbed Loss	-	844,504
Total	365,822	2,274,887
Deferred Tax Liabilities		
Depreciation	-	80,428
Total		
Net Deferred Tax Asset	365,822	2,355,315

3.25 Outsourced Services

Outsourced Services include payments made for various outsourced services amounting to ₹50,457 thousand (Previous Year: ₹49,273 thousand).

3.26 Dues Payable to Micro & Small Enterprises

The Company has the process of identification of suppliers registered under the “The Micro, Small and Medium Enterprises Development (‘MSMED’) Act, 2006” by obtaining confirmation from suppliers. Based on the information available with the Company, there are no dues payable to the suppliers as defined under the ‘Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2018.

3.27 Accounting Ratios

The Statement on accounting ratios is included in Annexure ‘C’.

3.28 Penalty for Non-Compliance/Violation

Sr. No.	Authority	Non-Compliance / Violation	₹ in '000		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
2	Service Tax Authorities	Non-Compliance (Nil)	696 (Nil)	696 (Nil)	Nil (Nil)

3	Income Tax Authorities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Any other Tax Authorities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Securities and Exchange Board of India	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Competition Commission of India	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
10	Any other Central/ State/ Local Government/ Statutory Authority	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Previous year figures are given in brackets)

3.29 Unclaimed Amount of Policy Holders

The liability of the company towards the policyholders, pertaining to amounts lying unclaimed, stands at ₹38,882 thousand (Previous Year: ₹25,921 thousand) as on the date of the balance sheet, duly reported under Schedule 13, the details of which, along with an itemised ageing, is given in the table below.

As per the extant accounting and disclosure norms of unclaimed amount of policyholders, laid down by the Authority, in the master circular dated 25th July, 2017, the company has segregated the earmarked funds and income accrued thereon, from the assets under management (AUM) and shown the same as a discreet heading under Schedule 12 (Current Assets and Advances), the corpus of which stands at ₹61,504 thousand (Previous Year: ₹37,479 thousand) as on the date of the Balance sheet.

The age-wise Analysis of the Unclaimed Amount of the Policyholders is as under:

(₹ in '000)

Particulars	Total Amount	Age-Wise Analysis (in months)						
		1-6	7-12	13-18	19-24	25-30	31-36	> 36
Claims Settled but not paid to the policyholders/ insured's due to any reasons except under litigation from the insured/ policyholders	108,261 (62,542)	108,261 (62,542)	- (-)	- (10)	- (-)	- (-)	- (-)	- (-)
Sum due to the insured/ policy holders on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any excess collection of the premium/tax or any other charges which is refundable to the policy holders either as terms of conditions of the policy or as per law as may be directed by the Authority but not refunded so far	71,980 (6,000)	57,114 (5804)	5,702 (138)	2,387 (6)	1,055 (20)	1,150 (18)	1,017 (1)	3,555 (12)
Cheques issued but not encashed by the policyholder/insured*	254,064 (201,981)	230,048 (176,256)	3,751 (5,958)	5,174 (3,132)	2,240 (1,983)	1,091 (3,305)	925 (2,805)	10,835 (8,543)

(Previous year figures are given in brackets.)

*Unclaimed amount of Policy holder's ageing "1-6" includes ₹223,743 thousand (Previous year ₹157,117 thousand) lying in the Bank Book.

IRDAI circular no. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015 which came into effect from the current year

required disclosure of the following information on unclaimed amount of policy holders:

(₹ in '000)

Particulars	Current Financial Year	Previous Financial Year
Opening Balance	25,921	22,543
Add: Amount transferred to Unclaimed Fund	16,682	11,589
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	17	-
Add: Investment Income on Unclaimed Fund	1,650	1,735
Less: Amount of claims paid during the year	5,387	9,946
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-
Closing Balance of Unclaimed Amount Fund	38,882	25,921

3.30 Previous year's figures have been regrouped wherever necessary to make them comparable with those of current year. Previous year figure have been given in brackets.

3.31 The summary of financial statements is provided in Annexure D

3.32 Provision for Free look period is Nil, as certified by the Appointed Actuary.

3.33 IRDAI vide it's notification IRDAI/Reg/12/124/2016 dated 27th April, 2016 laid down revised regulations pertaining to expenses of management of insurers transacting general or health insurance business. The company has framed an expenses allocation/apportionment policy across various lines of businesses as per the regulatory directives. The same has been approved by the board. Post allocation/apportionment of expenses of management across stipulated lines of business an amount of ₹621,380 thousand (Previous Year ₹406,158 thousand) has been transferred from policyholders account (Revenue Account) to Shareholders account (P&L Account) on account of an excess in actual allocated expenses, incurred in Marine, Health & PA and Motor lines of businesses over and above the allowable expenses, calculated as per regulatory guidelines.

3.34 The current year net profit includes a onetime reinsurance income of ₹1,900,000 thousand in fire line of business, on account of prior year ceding, since inception to FY 1516.

3.35 An arbitration claim, raised against an IT vendor for breach in terms of delivery, has led to a probable recovery of liquidated damages amounting to ₹540,000 thousand, against a favorable judicial outcome. The vendor has raised a counter claim on the company, amounting to ₹490,000 thousand. Accordingly, ₹50,000 thousand qualifies as a probable net inflow, which lies uncertain as on the date of reporting.

SIGNATURE TO SCHEDULES "1" TO "16"

For J SINGH & ASSOCIATES
Chartered Accountants
(FRN 110266W)

For SARC & Associates
Chartered Accountants
(FRN 006085N)

For and on behalf of the Board of Director

CA. J. Singh
Partner
M. No. 042023

CA. Rajendra S. Bagade
Partner
M. No. 104026

Rajnish Kumar
Director
(DIN No : 05328267)

Dinesh Kumar Khara
Director
(DIN No : 06737041)

Pushan Mahapatra
Managing Director & CEO
(DIN No : 07307428)

Rikhil K.Shah
Chief Financial Officer
(M. No. 112490)

Place: Mumbai
Date: 26th April, 2018

Mahendra .K. Tripathi
Company Secretary
(M. No. A21090)

Annexure A
SEGMENTAL REPORTING FOR THE YEAR ENDED 31ST MARCH 2018
Segmental Break up of Profit and Loss Account

(₹ in '000)

Particulars	Schedule	Fire	Marine Cargo	Marine Hull	Motor (OD)	Motor (TP)	Decline	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Weather & Crop Insurance	Others	Total
1. Premiums earned (Net)	1	1,383,447	107,857	-	4,878,112	2,502,769	-	7,981	28,509	68,737	-	4,075,012	3,987,089	935,182	444,029	18,418,726
2. Profit/ Loss on sale/ redemption of Investments		53,493	1,277	-	31,123	84,833	-	153	270	775	1	39,741	23,691	6,981	3,481	245,821
3. Others																
(a) Interest Income		7,579							506						8,085	
Decline/ Terrorism Pool																
(b) Interest Income		669	16		389	1,061	-	2	3	10	0	497	296	87	44	3,075
Income on Unclaimed Policy holder																
4. Interest, Dividend & Rent – Gross		559,809	13,368	-	325,701	887,778	-	1,602	2,822	8,113	12	415,892	247,932	73,058	36,434	2,572,522
TOTAL SEGMENTAL REVENUE (A)		2,004,997	122,518	-	5,235,326	3,476,441	-	9,738	32,110	77,635	14	4,531,143	4,259,009	1,015,309	483,988	21,248,229
1. Claims Incurred (Net)	2	583,664	88,794	-	3,427,915	3,344,141	-	431	4,913	30,602	(6)	2,600,186	1,667,371	1,265,145	151,313	13,164,468
2. Commission	3	(2,531,505)	19,126	-	735,679	11,224	-	(1,200)	(8,132)	(32,790)	-	443,140	591,710	(697,495)	62,644	(1,407,599)
3. Operating Expenses related to Insurance Business	4	641,661	25,738	-	1,673,737	894,497	-	2,906	9,999	27,597	-	938,327	1,026,019	290,526	187,472	5,718,479
4. Premium Deficiency Reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL SEGMENTAL EXPENSES (B)		(1,306,180)	133,658	-	5,837,330	4,249,861	-	2,137	6,780	25,409	(6)	3,981,654	3,285,100	858,177	401,429	17,475,348
Segmental Profit/(Loss) [C= (A-B)]		3,311,178	(11,139)	-	(602,005)	(773,420)	-	7,601	25,330	52,226	20	549,489	973,909	157,133	82,559	3,772,882

SEGMENTAL REPORTING FOR THE YEAR ENDED 31st MARCH 2017

Segmental Break up of Profit and Loss Account

(₹ in '000)

Particulars	Schedule	Fire	Marine Cargo	Marine Hull	Motor (OD)	Motor (TP)	Decline	Workmen's Compensation	Public Liability	Engineering	Aviation	Personal Accident	Health Insurance	Weather & Crop Insurance	Others	Total
1. Premiums earned (Net)	1	1,719,229	140,812	-	4,358,592	2,454,980	(59,391)	11,409	17,088	64,351	126	2,915,435	2,567,941	217,061	356,611	14,764,243
2. Profit/ Loss on sale/redemption of Investments		70,839	1,381	-	25,633	75,960	-	172	202	720	1	34,011	16,248	1,277	2,997	229,443
3. Others																
(a) Interest Income-Decline/Terrorism Pool		7,318														7,318
(b) Interest Income on Unclaimed Policyholder		794	15	-	287	851	-	2	2	8	0	381	182	14	34	2,572
4. Interest, Dividend & Rent – Gross		732,739	14,286	-	265,144	785,710	-	1,782	2,088	7,449	15	351,804	168,067	13,210	30,995	2,373,289
TOTAL SEGMENTAL REVENUE (A)		2,530,919	156,494	-	4,649,657	3,317,502	(59,391)	13,365	19,380	72,528	142	3,301,631	2,752,438	231,563	390,636	17,376,865
1. Claims Incurred (Net)	2	692,660	137,945	-	3,966,115	3,037,629	(109,488)	1,541	3,121	14,102	(27)	1,838,375	1,091,602	315,618	86,033	11,075,225
2. Commission	3	(556,075)	21,165	-	233,193	(5,812)	-	(1,558)	(3,666)	(6,517)	4	269,810	420,544	(197,972)	38,182	211,296
3. Operating Expenses related to Insurance Business	4	646,463	27,748	-	1,391,006	715,625	-	2,941	8,054	22,834	(90)	970,037	998,055	70,339	136,144	4989,156
4. Premium Deficiency Reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL SEGMENTAL EXPENSES (B)		783,048	186,858	-	5,590,314	3,747,442	(109,488)	2,924	7,508	30,419	(113)	3,078,222	2,510,201	187,985	260,359	16,275,678
Segmental Profit/(Loss) [C= (A-B)]		1,747,871	(30,364)	-	(940,657)	(429,940)	50,097	10,442	11,872	42,110	255	223,410	242,237	43,578	130,277	1,101,187

(₹ in '000)

S.No.	Nature of Relationship with the Company	Name of the Related Party	Categories	Description of Transactions/Categories	For the period ended 31 st Mar 2018	For the period ended 31 st Mar 2017
1	Holding Company	State Bank of India	Income	Premium Received	38,470	28,805
				Interest Income on Bonds	-	8,400
			Expense	Interest Income on Term Deposits_I	8,476	35,367
				Commission expense	1,990,838	1,303,042
				Bank Charges_E	8,636	7,651
				Claims Expense	1,940	6,086
				SBI Officers Deputation Cost_E	36,822	42,683
			Asset	Other Expenses	5,996	9,573
				Expenses Reimbursement_E	1,865	3,062
				Premises Rent	2,517	4,917
				Term Deposits Redeemed/Matured	265,899	54,147
				Term Deposits Placed (Balance)	-	265,899
				Interest Income on Term Deposits_A	-	76,801
				Interest Income on Bond (Receivable)	-	0
			Liability	Current Accounts	263,031	189,176
				Rent recovery	15	-
				Investment Purchased	263,256	-
Security Deposit	153	153				
Advance Given	-	80				
Commission Payable	153,933	129,501				
Claims Payable	209	232				
SBI Officers Deputation Cost_L	22,136	20,392				
Expenses Reimbursement_L	1,227	291				
Other Expenses Payable	9,730	4,021				
2	Group Company of Shareholder	Insurance Australia Limited	Expense	Rent Payable	-	160
			Technical Services	4,087	15,136	
		Liability	Foreign exchange (gain)/ loss	-	102	
			Technical Services Payable	1,618	3,939	
		Income	Commission Income	36,708	14,779	
			Claims Recovery	144,386	308,541	

S.No.	Nature of Relationship with the Company	Name of the Related Party	Categories	Description of Transactions/Categories	For the period ended 31 st Mar 2018	For the period ended 31 st Mar 2017
2	Group Company of Shareholder	IAG Re	Expense	Reinsurance Ceded (incl. Non Proportional)	339,897	292,008
			Liability	Reinsurance Payable net of Commission & Claims	77,483	21,971
3	Fellow Subsidiaries	SBI DFHI Ltd.	Income	Premium Received	656	(4)
			Expense	Claims Expense	183	383
		SBI Global Factors Ltd.	Asset	Investment Purchased	469,110	-
			Income	Premium Received	10	165
		SBI Global Factors Ltd.	Expense	Premises Rent	(508)	-
			Income	Premium Received	10,769	106
		SBI Mutual Fund	Expense	Brokerage Expense	181	85
			Expense	Claims Expense	1,132	101
		SBI Mutual Fund	Expense	Commission expense	774	984
			Liability	Claims Payable	100	-
SBI Mutual Fund	Liability	Commission Payable	27	31		
	Income	Premium Received	353	451		
SBI Mutual Fund	Asset	Investment Purchased	200,221	-		
	Expense	Claims Expense	73	3,756		
SBI Mutual Fund	Asset	Investment Purchased	8,266,820	8,354,088		
	Asset	Investment Redeemed	8,226,383	8,493,388		
SBI Mutual Fund	Asset	Closing Bal	509,820	355,700		
	Income	Premium Received	4,379	2,103		
SBI Mutual Fund	Expense	Claims Expense	1,023	1,708		
	Liability	Claims payable	-	283		
SBI Mutual Fund	Income	Premium Received	2,580	-		
	Asset	Prepaid Expenses	43	36		
SBI Mutual Fund	Expense	Card Payments	3,927	2,876		
	Income	Premium Received	5,005	2,042		
SBI Mutual Fund	Expense	Claims Expense	-	7		
	Income	Premium Received	4,661	3,561		
SBI Mutual Fund	Expense	Premium Paid	4,362	4,289		
	Expense	Premises Rent	95,194	94,396		

S.No.	Nature of Relationship with the Company	Name of the Related Party	Categories	Description of Transactions/Categories	For the period ended 31 st Mar 2018	For the period ended 31 st Mar 2017
			Expense	Expenses Reimbursement_E	22,839	22,946
			Expense	Claims Expense	972	1,616
			Asset	Premium Deposit/Prepaid Expenses	1,783	1,728
			Asset	Investment Purchased	26,162	-
			Liability	Claims Payable	-	409
			Liability	Expenses Reimbursement_L	1,618	1,573
		Saurashtra Gramin Bank	Income	Premium received	2,663	-
			Expense	Commission expense	1,915	1,208
			Expense	Other Expenses	4,966	-
			Liability	Other Expenses Payable	4,966	-
			Liability	Commission payable	395	61
		Mizoram Rural Bank	Income	Premium received	2,273	2,096
			Expense	Commission expense	1,466	1,094
			Liability	Commission payable	784	186
		Meghalaya Rural Bank	Income	Premium received	9	-
			Expense	Commission expense	189	215
			Liability	Commission payable	32	31
		SBI CAP Ventures Ltd	Income	Premium received	-	6
		SBICAP Trustee Company Ltd	Income	Premium received	-	(8)
			Expense	Claims Expense	-	85
		SBI Payment Services Pvt. Ltd.	Expense	Claims Expense	11	65
			Liability	Claims Payable	-	15
		SBI Pension Funds Pvt Ltd	Income	Premium Received	21	-
		C - Edge Technologies Ltd	Income	Premium Received	90	2,250
			Expense	Claims Expense	2,835	610
			Expense	IT Support charges	13,125	7,098
			Liability	Claims Payable	1,820	3,338
			Liability	IT Support charges Payable	10,061	331
		GE Capital and Business Process Management Services Pvt Ltd	Income	Premium Received	735	-
		Madhyanchal Gramin Bank	Income	Premium Received	1,024	528
			Expense	Commission expense	750	432

S.No.	Nature of Relationship with the Company	Name of the Related Party	Categories	Description of Transactions/Categories	For the period ended 31 st Mar 2018	For the period ended 31 st Mar 2017
			Expense Liability	Claims Expense	-	12
			Liability	Commission payable	305	65
			Liability	Claims Payable	23	-
		Nagaland Rural Bank	Income	Premium Received	399	282
		Vananchal Gramin Bank	Expense Liability	Commission expense	765	9
			Liability	Commission payable	534	6
		Langpi Dehangi Rural Bank	Expense Liability	Commission expense	266	134
			Liability	Commission payable	120	79
		Rajasthan Marudhara Gramin Bank	Income	Premium Received	28	6
			Expense	Commission expense	5,116	2,512
			Expense Liability	Claims Expense	-	34
			Liability	Commission payable	1,649	207
		Purvanchal Bank	Expense	Commission expense	8,720	4,576
			Expense Liability	Claims Expense	96	-
			Liability	Commission payable	111	631
			Income	Premium Received	364	-
		Telangana Grameena Bank	Income	Premium Received	41	274
			Expense	Commission expense	2,874	1,653
			Expense	Other Expenses	28	18
			Expense Liability	Claims Expense	22	-
			Liability	Commission payable	(2)	640
			Liability	Other Expenses Payable	-	18
		Arunachal Pradesh Rural Bank	Income	Premium Received	25	29
			Expense Liability	Commission expense	147	216
			Liability	Commission payable	50	-
		Ellaquai Dehati Bank	Expense Liability	Commission expense	1,539	995
			Liability	Commission payable	618	65
		Andhra Pradesh Grameena Vikas Bank	Income	Premium Received	250	338
			Expense	Commission expense	10,873	5,387
			Expense Liability	Claims Expense	424	4
			Liability	Commission payable	5,015	1,660

S.No.	Nature of Relationship with the Company	Name of the Related Party	Categories	Description of Transactions/Categories	For the period ended 31 st Mar 2018	For the period ended 31 st Mar 2017
		Capital Local Area Bank Ltd.	Liability	Claims Payable	-	520
			Expense	Commission expense	-	570
			Liability	Commission payable	-	37
		Chhattisgarh Rajya Gramin Bank	Income	Premium Received	93	-
			Expense	Commission expense	4,184	1,066
			Liability	Commission payable	1,207	161
			Liability	Commission payable	-	3
		Janata Sahakari Bank Ltd	Income	Premium Received	1,047	40
		Kaveri Gramena Bank	Expense	Commission expense	2,305	256
			Expense	Claims Expense	406	-
			Liability	Commission payable	974	21
		Utikal Gramen Bank	Income	Premium Received	4	-
			Expense	Commission expense	1,252	99
			Expense	Other Expenses	0	968
			Liability	Other Expenses Payable	-	968
			Liability	Commission payable	168	23
		Uttarakhand Gramin Bank	Income	Premium Received	1,026	43
			Expense	Commission expense	476	134
			Expense	Claims Expense	33	-
			Expense	Other Expenses	10	10
			Liability	Other Expenses Payable	-	10
			Liability	Commission payable	462	17
		Malwa Gramin bank	Income	Premium Received	19	-
			Expense	Commission expense	144	-
			Liability	Commission payable	114	-
4	Managing Director & CEO	Shri Pushan Mahapatra	Income	Premium Received	4	3
			Expense	SBI Officers Deputation Cost_E	5,300	4,658
			Liability	SBI Officers Deputation Cost_L	1,234	1,170

Annexure C

RATIOS FOR NON-LIFE COMPANIES

Sr. No.	Performance Ratio	Ratios as at 31 st March, 2018				Ratios as at 31 st March, 2017			
		Fire	Marine	Miscellaneous	Total	Fire	Marine	Miscellaneous	Total
1	Gross Premium growth rate	9.93%	-5.97%	46.56%	36.08%	16.85%	-17.59%	33.15%	27.68%
2	Gross Premium to Net Worth ratio	NA	NA	NA	2.37	NA	NA	NA	2.37
3	Growth rate of Net Worth	NA	NA	NA	36.02%	NA	NA	NA	52.38%
4	Net Retention ratio	-31.62%	69.15%	71.83%	48.60%	27.17%	70.40%	76.57%	62.81%
5	Net Commission ratio	100.42%	16.08%	5.62%	-8.15%	-28.41%	16.43%	5.25%	1.30%
6	Expenses of Management to Gross Direct Premium ratio	20.12%	27.50%	25.93%	24.64%	17.12%	27.50%	29.00%	25.71%
7	Expense of Management to Net Written Premium	-63.09%	39.77%	36.07%	50.57%	62.91%	39.06%	38.10%	41.08%
8	Net incurred Claims to Net Earned Premium	42.19%	82.33%	73.80%	71.47%	40.29%	97.96%	79.39%	75.01%
9	Combined ratio	117.15%	120.03%	105.09%	96.43%	44.91%	135.94%	115.00%	106.92%
10	Technical Reserves to Net Premium ratio	-2.10	1.45	1.50	2.03	4.68	1.34	1.54	1.92
11	Underwriting balance ratio	1.94	-0.24	-0.10	0.05	0.54	-0.33	-0.19	-0.10
12	Operating profit ratio	239.34%	-10.33%	2.79%	20.48%	101.67%	-21.56%	-4.78%	7.46%
13	Liquid Assets to Liabilities ratio	NA	NA	NA	0.29	NA	NA	NA	0.23
14	Net Earnings ratio	NA	NA	NA	22.91%	NA	NA	NA	9.37%
15	Return on Net worth	NA	NA	NA	26.48%	NA	NA	NA	13.90%
16	Solvency Margin	NA	NA	NA	2.54	NA	NA	NA	2.19
17	NPA	NA	NA	NA	NA	NA	NA	NA	NA

Annexure D

Summary of Financial Statements

(₹ in '000)

Sl. No	Particulars	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
	OPERATING RESULTS					
1	Gross Premium Written	35,532,138	25,951,753	20,425,965	16,069,010	12,106,794
2	Net Premium Income #	17,269,987	16,300,071	15,977,024	12,559,016	9,400,113
3	Income from Investment (Net)##	2,829,503	2,612,622	1,964,551	1,424,911	788,718
4	Others	-	-	-	-	-
5	Total Income	20,099,490	18,912,692	17,941,575	13,983,927	10,188,831
6	Commissions(Net)(including brokerage)	(1,407,599)	211,296	955,924	717,517	383,702
7	Operating Expense	5,718,479	4,989,156	4,934,753	3,697,585	2,770,936
8	a) Claims	13,164,468	11,075,225	10,012,695	7,817,290	5,348,847
	b) Increase in Unexpired Risk Reserve and other Outgoes	(1,148,740)	1,535,827	3,908,112	3,445,799	3,092,792
	c) Premium Deficiency	-	-	-	-	-
9	Operating Profit/ (Loss)	3,772,882	1,101,187	(1,869,909)	(1,694,264)	(1,407,446)
	NON-OPERATING RESULT					
10	Total Income under Shareholders' Account	451,010	425,376	668,925	640,987	423,580
11	Profit/ (Loss) before tax	4,223,892	1,526,564	(1,200,984)	(1,053,277)	(983,866)
12	Provision for Tax	266,945	-	-	-	-
13	Profit/ (Loss) after Tax	3,956,946	1,526,564	(1,200,984)	(1,053,277)	(983,866)
	MISCELLANEOUS					
14	Policyholders' Account					
	Total Funds	-	-	-	-	-
	Total Investments	-	-	-	-	-
	Yield on Investments	-	-	-	-	-
15	Shareholders' Account**					
	Total Funds	14,943,152	10,986,207	7,209,641	8,410,627	5,263,904
	Total Investments	52,921,918	43,621,117	33,006,063	26,677,456	16,552,989
	Yield on Investments*	8.18%	8.99%	8.86%	9.49%	9.12%
16	Paid up Equity Capital	2,155,000	2,155,000	2,030,000	2,030,000	1,750,000
17	Net Worth**	14,943,152	10,986,207	7,209,641	8,410,627	5,263,904
18	Total Assets	59,254,750	47,468,143	36,233,590	29,525,761	18,560,682
19	Yield on Total Investments*	8.18%	8.99%	8.86%	9.49%	9.12%
20	Earnings per share (₹)	18.36	7.21	(5.92)	(5.39)	(5.95)
21	Book Value per Share (₹)	69.34	50.98	35.32	41.44	30.12
22	Total Dividend	-	-	-	-	-
23	Dividend per Share (₹)	-	-	-	-	-
24	Solvency Margin (times) (Requirement of 1.5 times)	2.54	2.19	1.81	2.80	2.51

Notes

Net of reinsurance

#Net of losses

* Yield on investment includes return on Fixed Deposits

** Net worth/Shareholders funds = (Share Capital + Reserve & Surplus) - Debit balance in Profit & Loss Account

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

(₹ in '000)

Particulars	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
Cash flows from operating activities		
Premium received from policyholder incl advance receipt	36,364,000	29,540,034
Other receipts	15,007	30,929
Payment to the re-insurers, net of commission and claims	(10,123,924)	(3,236,795)
Payment to co-insurers, net of claims recovery	(100,180)	461,678
Payment of claims	(10,742,368)	(11,848,648)
Payment of commission and brokerage	(2,866,802)	(1,696,177)
Payments of other operating expenses	(5,410,427)	(4,893,744)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	(13,958)	(12,901)
Income taxes paid (Net)	(632,768)	-
Service tax/GST paid	(736,927)	(3,218,013)
Director sitting fees	(2,680)	(1,570)
Retirement benefits	(67,210)	(40,199)
Cash flow before extraordinary items	5,681,764	5,084,595
Cash flow from extraordinary items	-	-
Net cash flow from operating activities	5,681,764	5,084,595
Cash flows from investing activities		
Purchase of Fixed Assets	(436,466)	(218,110)
Proceeds from Sale of Fixed assets	380	16,876
Purchase of Investments	(17,676,216)	(21,308,811)
Loans Disbursed	-	-
Sale of Investments	10,946,642	10,050,482
Repayments received	-	-
Rent/Interest/Dividend received on Investment	3,596,289	2,910,373
Investment in moneymarket and liquid fund instruments	(1,218,065)	1,185,478
Expenses related to Investments	(4,747)	(3,609)
Investments in Fixed deposits (Net)	979,097	529,747
Net cash flow from investing activities	(3,813,085)	(6,837,572)
Cash flows from financing activities		
Proceed from issuance of share capital (net of share issue expenses)	-	2,247,750
Proceeds from borrowing	-	-
Repayments from borrowings	-	-
Interest/Dividend paid	-	-
Net cash flow from financing activities	-	2,247,750
Effect of foreign exchange rates on cash and cash equivalents, net	-	-
Net increase in cash and cash equivalents	1,868,680	494,773
Cash and cash equivalent at beginning of the year	1,889,776	1,395,003
Cash and cash equivalent at end of the year	3,758,455	1,889,776
Book overdraft at the end of the year	-	-
Net increase in cash and cash equivalents	1,868,680	494,773
Refer Schedule 11 for components of cash and cash equivalents		
Cash and cash equivalents include cash on hand, balances with other banks in current account and fixed deposits with maturity upto 3 months, and liquid mutual funds		

As per our report of even date attached

For J. Singh & Associates For **SARC & Associates**
Chartered Accountants Chartered Accountants
(FRN 110266W) (FRN 006085N)

CA. J. Singh
Partner
M.No. 042023

CA. Rajendra S. Bagade
Partner
M.No. 104026

For and on behalf of the Board of Directors

Rajnish Kumar **Dinesh Kumar Khara** **Pushan Mahapatra**
Director Director Managing Director & CEO
(DIN No : 05328267) (DIN No : 06737041) (DIN No : 07307428)

Rikhil K. Shah **Mahendra K. Tripathi**
Chief Financial Officer Company Secretary
(M. No. 112490) (M. No. A21090)

Place: Mumbai

Date: April 26, 2018

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