

N. C. Rajagopal & Co.,
Chartered Accountants
22, Krishnaswamy Avenue,
Luz Church Road, Mylapore,
Chennai – 600004.

Rajagopal & Badri Narayanan
Chartered Accountants
No. 38/23, Venkatesa Agraharam,
Mylapore,
Chennai – 600004.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED

Report on the Audit of Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Revenue Account, the Profit and Loss Account and Receipts and Payments Statement of the Company for the year ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory Information.

In accordance with the provisions of Section 11 of the Insurance Act, 1938 ("the Insurance Act") read with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("the Regulations") and the provision of section 129 of the Companies Act 2013 ("the Act"), the Balance Sheet, the Revenue Accounts and the Profit and Loss Account are not required to be, and are not, drawn up in accordance with Schedule III of the Act. The Balance Sheet, the Revenue Account and the Profit and Loss Account, and Receipts and payments Statement are, therefore, drawn up in conformity with the Regulations.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements are prepared in accordance with the requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Act, 1999 and the Companies Act, 2013 to the extent applicable and give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of Revenue Account, of the operating profit for the year ended on that date;
- c) in the case of Profit and Loss Account, the profit for the year ended on that date;
- d) in the case of Receipts and Payments Statement, receipts and payments for the year ended on that date.
- e) The Accounting policies selected by the insurer are appropriate and are in compliance with the applicable Accounting Standards and with the Accounting Principles, as prescribed in the regulations or any order or the direction issued by the Authority in this behalf.



2. Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) Specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

3. Other Information

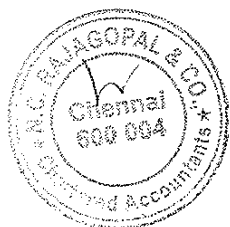
The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, including Annexure to Board's Report, report on Corporate Governance and Management Report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

4. Responsibility of Management and Those charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and Receipts and Payments Statement of the Company in accordance with accounting principles generally accepted in India, including the Companies Accounting Standards specified under section 133 of the Act, provisions of sub section (1) of Section 129 of The Act, provisions of Section 11 of the Insurance Act read with the IRDA Regulations/Guidelines/Circulars/orders. 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 Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material



uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

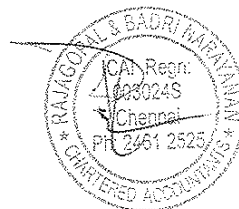
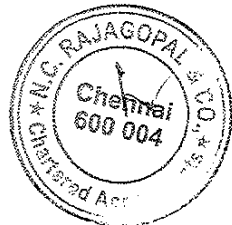
Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

6. Report on Other Legal and Regulatory Requirements - As required under provisions of Section 143(3) of The Act and IRDA regulations

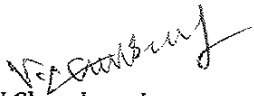
We report that

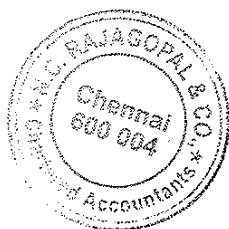
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Revenue Accounts, Profit and Loss Account, and Receipts and Payments Statement dealt with by this Report are in agreement with the books of account.
- d) The financial accounting system of the Company is centralised and therefore accounting returns are not required to be submitted by branches.
- e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 read together with IRDA Regulations/Circulars/Orders.



- f) The estimate of claims Incurred But Not Reported [IBNR] and claims Incurred But Not Enough Reported [IBNER] has been certified by the Company's appointed actuary. The appointed actuary has certified to the Company that the assumptions used for such valuation are appropriate and are in accordance with the requirements of the Insurance Regulatory and Development Authority [IRDA] and Actuarial Society of India in concurrence with IRDA. We have relied on the appointed Actuary's certificate in this regard.
- g) Investments of the Company have been valued in accordance with the Provisions of the Insurance Act and the Regulations.
- h) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
- i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure (A).
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in Note No.2 (a) of Schedule 17 to the standalone financial statements.
 - The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For N.C. Rajagopal & Co.
Chartered Accountants
Registration No: 003398S

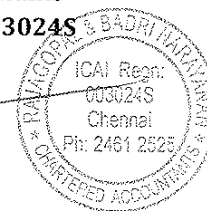

V Chandrasekaran
Partner
Membership No: 024844



For Rajagopal & Badri Narayanan
Chartered Accountants

Registration No: 003024S


P S Prabhakar
Partner
Membership No: 020909



Place: Chennai
Date : 30-05-2019

ANNEXURE (A) REFERRED TO IN PARAGRAPH (6)(i) OF OUR REPORT OF EVEN DATE

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

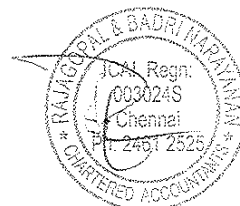
We have audited the Internal Financial Controls over financial reporting of STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

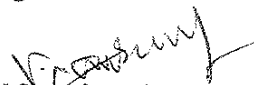
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

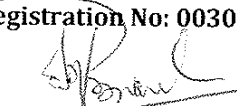
For N.C. Rajagopal & Co.,
Chartered Accountants
Registration No: 003398S


V Chandrasekaran
Partner

Membership No: 024844



For Rajagopal & Badri Narayanan
Chartered Accountants
Registration No: 003024S


P.S. Prabhakar
Partner

Membership No: 020909



Place: Chennai
Date: 30.05.2019

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Chartered Accountants
22, Krishnaswamy Avenue
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Rajagopal & Badri Narayanan
Chartered Accountants
No. 38/23, Venkatesa Agraharam,
Mylapore,
Chennai - 600004.

**INDEPENDENT AUDITORS' CERTIFICATE
TO THE MEMBERS OF STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED**

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

Management's Responsibility for the statement

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 (the "Insurance Act") as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

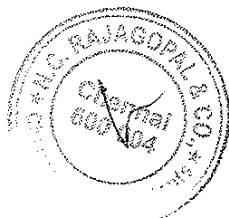
Auditor's Responsibility

Our responsibility, for the purpose of this certificate, is limited of certifying matters contained in paragraphs 3 and 4 of Schedule C of the IRDA Financial Statements Regulations. We have conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI') which include the concepts of test checks and materiality.

Opinion

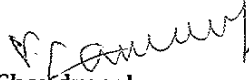
In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED (the 'Company') for the year ended March 31, 2019, we certify that:

- a. We have reviewed the Management Report attached to the financial statements for the financial year ended March 31, 2019 and there is no apparent mistake or material inconsistency therein with the financial statements.



- b. The Company has complied with the terms and conditions of registration stipulated by IRDA vide their letter dated 16 March, 2006.
- c. We have verified the cash balances at the corporate office of the Company and investments of the Company.
- d. The Company is not a trustee of any trust.
- e. No part of the assets of the policyholders' funds have been directly or indirectly applied in contravention of the provisions of the Insurance Act relating to application and investment of policyholders' funds.

**For N.C. Rajagopal & Co.,
Chartered Accountants
Registration No:003398S**


**V Chandrasekaran
Partner
Membership No: 024844**



**For Rajagopal & Badri Narayanan
Chartered Accountants
Registration No 003024S**


**P.S. Prabhakar
Partner
Membership No:020909**



**Place: Chennai
Date: 30-05-2019**

Form B - RA
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
Registration No. and Date of Registration with the IRDAI : 129/16.03.2006

REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2019
FIRE BUSINESS

Amt. Rs. In '000s

Particulars	Schedule	31st Mar 2019	31st Mar 2018
1 Premiums earned (Net)	1 A	-	-
2 Profit/ (Loss) on sale/redemption of Investments		-	-
3 Others (to be specified)		-	-
4 Interest, Dividend & Rent - (Gross)		-	-
TOTAL (A)		-	-
1 Claims Incurred (Net)	2 A	-	-
2 Commission	3 A	-	-
3 Operating Expenses related to Insurance Business	4	-	-
4 Premium Deficiency		-	-
TOTAL (B)		-	-
Operating Profit/(Loss) from Fire Business C= (A - B)		-	-
APPROPRIATIONS			
Transfer to Shareholders' Account		-	-
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)			
Significant accounting policies	16		
Notes to financial statements	17		

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Fire Business have been fully debited in the Fire Revenue Account as expenses.



For And On Behalf of Board of Directors

Jayashree Sethuraman
Jayashree Sethuraman
Company Secretary

Utpal Sheth

Utpal Sheth
Director

S. Venkataraman
S. Venkataraman
Chief Financial Officer

V. Jagannathan
V. Jagannathan
Chairman Cum Managing Director

R. Deepak
Deepak Ramineedi
Director

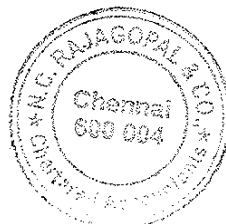
K B K Vasuki
Justice (Retd.) K B K Vasuki
Director

As Per Our Report of Even Date attached

For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S

V. Chandrasekaran
V. Chandrasekaran
Partner
M.No.24844

Place: Chennai - 600 034
Date: 30-05-2019



For Rajagopal & Badri Narayanan
Chartered Accountants
Firm Reg No. 003024S

P.S. Prabhakar
P.S. Prabhakar
Partner
M.No.20909



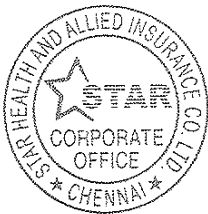
Form B - RA
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
Registration No. and Date of Registration with the IRDAI : 129/16.03.2006

REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2019
MARINE BUSINESS

Amt. Rs. in '000s

Particulars	Schedule	31st Mar 2019	31st Mar 2018
1 Premiums earned (Net)	1 B	-	-
2 Profit/ (Loss) on sale/redemption of Investments		-	-
3 Others (to be specified)		-	-
4 Interest, Dividend & Rent - (Gross)		-	-
TOTAL (A)		-	-
1 Claims Incurred (Net)	2 B	-	-
2 Commission	3 B	-	-
3 Operating Expenses related to Insurance Business	4	-	-
4 Premium Deficiency		-	-
TOTAL (B)		-	-
Operating Profit/(Loss) from Marine Business C= (A - B)		-	-
APPROPRIATIONS			
Transfer to Shareholders' Account		-	-
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)			
Significant accounting policies	16		
Notes to financial statements	17		

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Marine Business have been fully debited in the Marine Revenue Account as expenses.



For And On Behalf of Board of Directors

Jayashree Sethuraman
Jayashree Sethuraman
Company Secretary

Utpal Sheth
Utpal Sheth
Director

S. Venkataraman
S. Venkataraman
Chief Financial Officer

V. Jagannathan
V. Jagannathan
Chairman Cum Managing Director

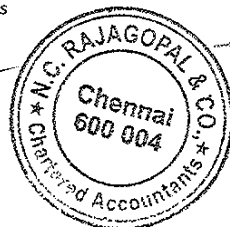
R. Deepak
Deepak Ramineedi
Director

K. B. K. Vasuki
Justice (Retd.) K B K Vasuki
Director

As Per Our Report of Even Date attached

For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S

V. Chandrasekaran
V. Chandrasekaran
Partner
M.No.24844



For Rajagopal & Badri Narayanan
Chartered Accountants
Firm Reg No. 003024S

P. S. Prabhakar
P. S. Prabhakar
Partner
M.No.20909

Place: Chennai - 600 034
Date: 30-05-2019

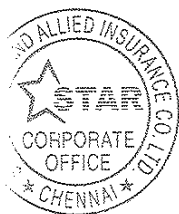
Form B - RA
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
Registration No. and Date of Registration with the IRDAI : 129/16.03.2006

REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2019
MISCELLANEOUS BUSINESS

Amt. Rs. in '000s

Particulars	Schedule	31st Mar 2019	31st Mar 2018
1 Premiums earned (Net)	1 D	36,623,738	27,396,000
2 Profit/ (Loss) on sale/redemption of Investments (Refer Note No.6 (b) of Sch 17)		4,852	70,155
3 Others		-	-
4 Interest, Dividend & Rent - (Gross) (Refer Note No.21 of Sch 17)		1,148,201	817,439
TOTAL (A)		37,776,791	28,283,594
1 Claims Incurred (Net)	2 D	22,975,895	16,920,158
2 Commission	3 D	2,569,115	1,365,767
3 Operating Expenses related to Insurance Business	4	9,879,159	8,613,593
4 Premium Deficiency		-	-
5 Others			
Provision for Impairment of Investments (Refer Note No. 6 (d) of Sch 17)		57,525	-
TOTAL (B)		35,481,694	26,899,518
Operating Profit/(Loss) from Miscellaneous Business C= (A - B)		2,295,097	1,384,076
APPROPRIATIONS			
Transfer to Shareholders' Account		2,295,097	1,384,076
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves (to be specified)		-	-
TOTAL (C)		2,295,097	1,384,076
Significant accounting policies	16		
Notes to financial statements	17		

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that all expenses of management in respect of Miscellaneous Business have been fully debited in the Miscellaneous Revenue Account as expenses.



For And On Behalf of Board of Directors

Jayashree Sethuraman
Jayashree Sethuraman
Company Secretary

Utpal Sheth
Utpal Sheth
Director

S. Venkataraman
S. Venkataraman
Chief Financial Officer

V. Jagannathan
V. Jagannathan
Chairman Cum Managing Director

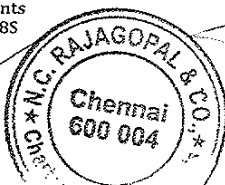
R. Deepak
Deepak Raminedi
Director

K. B. K. Vasuki
Justice (Retd.) K B K Vasuki
Director

As Per Our Report of Even Date attached

For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S

V. Chandrasekaran
V. Chandrasekaran
Partner
M.No.24844

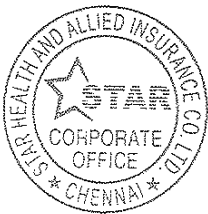


For Rajagopal & Badri Narayanan
Chartered Accountants
Firm Reg No. 003024S

P. S. Prabhakar
P. S. Prabhakar
Partner
M.No.20909



Particulars	Schedule	31st Mar 2019	31st Mar 2018
1 OPERATING PROFIT/(LOSS)			
(a) Fire Insurance		-	-
(b) Marine Insurance		-	-
(c) Miscellaneous Insurance		2,295,097	1,384,076
2 INCOME FROM INVESTMENTS			
(a) Interest, Dividend & Rent - (Gross) (Refer Note No.21 of Sch 17)		797,902	544,960
(b) Profit on sale of investments (Refer Note No.6 (b) of Sch 17)		3,372	46,770
Less: Loss on sale of investments		-	-
3 OTHER INCOME			
TOTAL (A)		3,096,371	1,975,806
4 PROVISIONS (Other than taxation)			
(a) For diminution in the value of investments		-	-
(b) For doubtful debts		-	-
(c) Others		-	-
Provision for Impairment of Investments (Refer Note No. 6 (d) of Sch 17)		39,975	-
5 OTHER EXPENSES			
(a) Expenses other than those related to Insurance Business		-	-
(b) Bad debts written off		-	-
(c) Others		-	-
i) Key Management Personnel Remuneration (Refer Note No.13 of Sch 17)		25,662	25,552
ii) Management expenses allocated (Refer Note No.23 of Sch 17)		9,897	43,448
iii) Donation		28,100	4,900
iv) Interest on NCD		256,000	137,499
v) Remuneration To Non-Executive Directors - Profit Related Commission (Refer Note No.32 of Sch 17)		5,000	4,400
vi) NCD Related Expenses		851	40,341
vii) CSR Expenses		28,450	7,632
viii) Legal exp		31,580	-
TOTAL (B)		425,515	263,771
Profit/(Loss) Before Tax (A-B)		2,670,856	1,712,035
Provision for Taxation			
(a) Current Tax		831,083	366,463
Add: Reversal of MAT Credit relating to earlier years		-	10,487
Less: MAT Credit Entitlement		-	(366,463)
(b) Deferred Tax (Refer Note No.10 of Sch 17)		2,441	-
(c) Tax relating to earlier years		3,158	-
Profit/(Loss) After Tax		1,834,174	1,701,548
APPROPRIATIONS			
(a) Interim dividends paid during the year		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer Contingency reserve for Unexpired Risk		-	-
(e) Debenture redemption reserve (Refer Note No.33 of Sch 17)		125,000	-
Balance of profit/ (loss) brought forward from last year		(705,448)	(2,406,996)
Balance carried forward to Balance Sheet		1,003,726	(705,448)
Significant accounting policies	16		
Notes to financial statements	17		
Earnings per share - Basic		3.75	3.73
- Diluted		3.70	3.73



For And On Behalf of Board of Directors

Jayashree Sethuraman
Jayashree Sethuraman
Company Secretary

Utpal Sheth
Utpal Sheth
Director

S. Venkataraman
S. Venkataraman
Chief Financial Officer

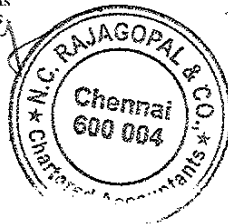
V. Jagannathan
V. Jagannathan
Chairman Cum Managing Director

R. Deepak
Deepak Ramineedi
Director

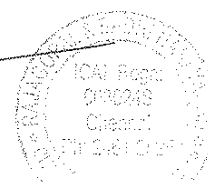
Justice (Retd.) K B K Vasuki
Justice (Retd.) K B K Vasuki
Director

As Per Our Report of Even Date attached

For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S
V. Chandrasekaran
Partner
M.No.24844



For Rajagopal & Badri Narayanan
Chartered Accountants
Firm Reg No. 003024S
P.S. Prabhakar
Partner
M.No.20909



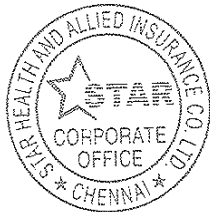
Place: Chennai - 600 034
Date: 30-05-2019

Form B - BS
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
Registration No. and Date of Registration with the IRDAI : 129/16.03.2006
BALANCE SHEET AS AT 31st MARCH 2019

Amt. Rs. in '000s

Particulars	Schedule	31st Mar 2019	31st Mar 2018
SOURCES OF FUNDS			
SHARE CAPITAL	5	4,555,761	4,555,761
SHARE APPLICATION MONEY (Refer Note No.3 of Sch 17)		3,500,000	-
RESERVES AND SURPLUS	6	6,874,318	5,745,592
FAIR VALUE CHANGE ACCOUNT		-	-
BORROWINGS	7	2,500,000	2,500,000
DEFERRED TAX LIABILITY (Refer Note No.10 of Sch 17)		2,441	-
TOTAL		17,432,520	12,801,353
APPLICATION OF FUNDS			
INVESTMENTS	8 & 8A	30,301,004	21,647,155
LOANS	9	-	-
FIXED ASSETS	10	980,630	969,608
CURRENT ASSETS			
Cash and Bank Balances	11	8,930,240	5,019,968
Advances and Other Assets	12	7,116,281	5,834,966
Sub-Total (A)		16,046,521	10,854,935
CURRENT LIABILITIES	13	9,134,756	5,374,931
PROVISIONS	14	20,760,879	16,000,863
Sub-Total (B)		29,895,635	21,375,793
NET CURRENT ASSETS (C) = (A - B)		(13,849,114)	(10,520,859)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	15	-	-
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT		-	705,448
TOTAL		17,432,520	12,801,353
Significant accounting policies	16		
Notes to financial statements	17		

For And On Behalf of Board of Directors



Jayashree Sethuraman

Jayashree Sethuraman
Company Secretary

Utpal Sheth

Utpal Sheth
Director

S. Venkataraman

S. Venkataraman
Chief Financial Officer

R. Deepak

Deepak Ramineedi
Director

V. Jagannathan

V. Jagannathan
Chairman Cum Managing Director

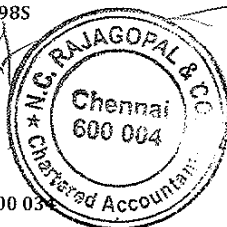
K B K Vasuki

Justice (Retd.) K B K Vasuki
Director

As Per Our Report of Even Date attached

For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S

V.Chandrasekaran
Partner
M.No.24844



For Rajagopal & Badri Narayanan
Chartered Accountants
Firm Reg No. 003024S

P.S Prabhakar
Partner
M.No.20909



Place: Chennai - 600 034
Date: 30-05-2019

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1A

PREMIUM EARNED [NET]

FIRE BUSINESS ACCOUNT

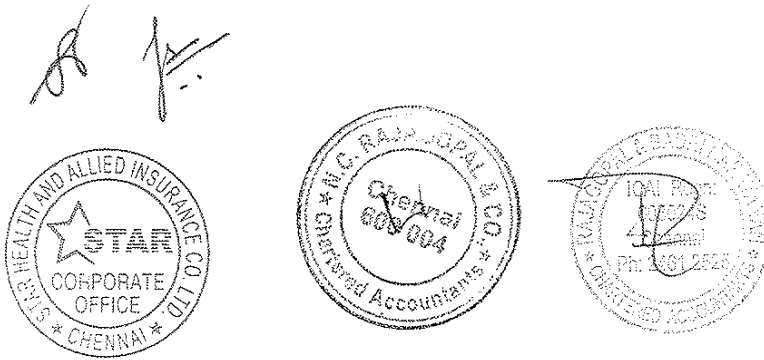
Particulars	31st Mar 2019	31st Mar 2018
Premium from direct business written	-	-
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	-	-
Net Premium	-	-
Adjustment for change in reserve for unexpired risks	-	-
Total Premium Earned (Net)	-	-

SCHEDULE - 1B

PREMIUM EARNED [NET]

MARINE CARGO BUSINESS ACCOUNT

Particulars	31st Mar 2019	31st Mar 2018
Premium from direct business written	-	-
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	-	-
Net Premium	-	-
Adjustment for change in reserve for unexpired risks	-	-
Total Premium Earned (Net)	-	-



Amt. Rs. in '000s

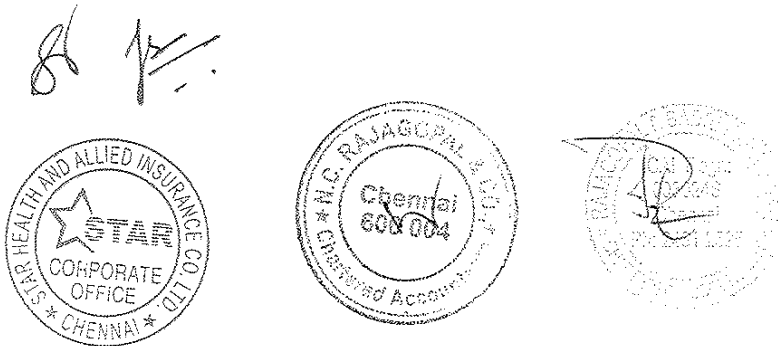
SCHEDULE - 1C
PREMIUM EARNED [NET]
MARINE HULL BUSINESS ACCOUNT

Particulars	31st Mar 2019	31st Mar 2018
Premium from direct business written	-	-
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	-	-
Net Premium	-	-
Adjustment for change in reserve for unexpired risks	-	-
Total Premium Earned (Net)	-	-

SCHEDULE - 1D
PREMIUM EARNED [NET]
MISCELLANEOUS BUSINESS

Particulars	31st Mar 2019	31st Mar 2018
Premium from direct business written	54,012,925	41,611,145
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	12,725,828	9,650,767
Net Premium	41,287,097	31,960,378
Adjustment for change in reserve for unexpired risks	4,663,359	4,564,378
Total Premium Earned (Net)	36,623,738	27,396,000

All premium written, less reinsurance, is from business in India.



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 2A

CLAIMS INCURRED [NET]

Amt. Rs. in '000s

FIRE BUSINESS ACCOUNT

Particulars	31st Mar 2019	31st Mar 2018
Claims paid		
Direct	-	-
Add :Re-insurance accepted	-	-
Less :Re-insurance Ceded	-	-
Net Claims paid	-	-
Add Claims Outstanding at the end of the year	-	-
Less Claims Outstanding at the beginning	-	-
Total Claims Incurred	-	-

SCHEDULE - 2B

CLAIMS INCURRED [NET]

MARINE CARGO BUSINESS ACCOUNT

Particulars	31st Mar 2019	31st Mar 2018
Claims paid		
Direct	-	-
Add :Re-insurance accepted	-	-
Less :Re-insurance Ceded	-	-
Net Claims paid	-	-
Add Claims Outstanding at the end of the year	-	-
Less Claims Outstanding at the beginning	-	-
Total Claims Incurred	-	-



SCHEDULE – 2C
CLAIMS INCURRED [NET]
MARINE HULL BUSINESS ACCOUNT

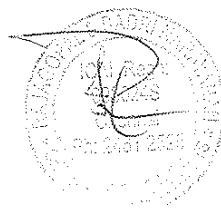
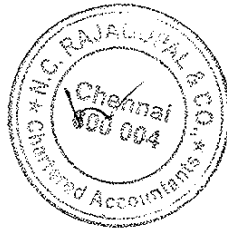
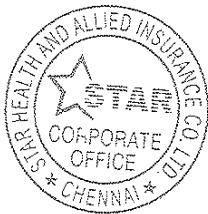
Particulars	31st Mar 2019	31st Mar 2018
Claims paid		
Direct	-	-
Add :Re-insurance accepted	-	-
Less :Re-insurance Ceded	-	-
Net Claims paid	-	-
Add Claims Outstanding at the end of the year	-	-
Less Claims Outstanding at the beginning	-	-
Total Claims Incurred	-	-

SCHEDULE – 2D
CLAIMS INCURRED [NET]
MISCELLANEOUS BUSINESS

Particulars	31st Mar 2019	31st Mar 2018
Claims paid		
Direct (Refer Note No.22 of Sch 17)	28,274,152	21,588,535
Add :Re-insurance accepted	81	286
Less :Re-insurance Ceded	6,877,143	5,151,781
Net Claims paid	21,397,090	16,437,040
Add Claims Outstanding at the end of the year	3,622,874	2,044,069
Less Claims Outstanding at the beginning	2,044,069	1,560,951
Total Claims Incurred	22,975,895	16,920,158

All claims paid, less reinsurance, are to claimants in India.

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 3A

COMMISSION

Amt. Rs. In '000

FIRE BUSINESS ACCOUNT

Particulars	31st Mar 2019	31st Mar 2018
Commission paid		
Direct	-	-
Add: Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
Net Commission	-	-

**Break-up of the expenses (Gross)
incurred to procure business :**

Agents	-	-
Brokers	-	-
Corporate Agency	-	-
Referral	-	-
Others	-	-
TOTAL	-	-

SCHEDULE- 3B

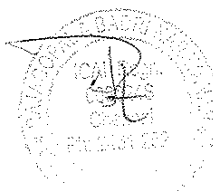
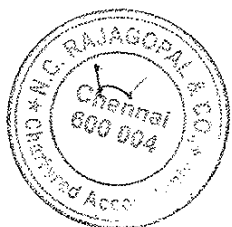
COMMISSION

MARINE CARGO BUSINESS ACCOUNT

Particulars	31st Mar 2019	31st Mar 2018
Commission paid		
Direct	-	-
Add: Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
Net Commission	-	-

**Break-up of the expenses (Gross)
incurred to procure business :**

Agents	-	-
Brokers	-	-
Corporate Agency	-	-
Referral	-	-
Others	-	-
TOTAL	-	-



SCHEDULE- 3C
COMMISSION
MARINE HULL BUSINESS ACCOUNT

Amt. Rs. In '000s

Particulars **31st Mar 2019** **31st Mar 2018**

Commission paid
Direct - -
Add: Re-insurance Accepted - -
Less: Commission on Re-insurance Ceded - -
Net Commission - -

Break-up of the expenses (Gross)
incurred to procure business :

Agents - -
Brokers - -
Corporate Agency - -
Referral - -
Others - -
TOTAL - -

SCHEDULE- 3D
COMMISSION
MISCELLANEOUS BUSINESS

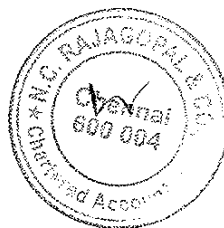
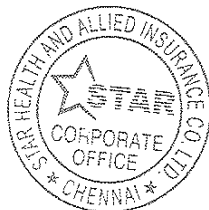
Particulars **31st Mar 2019** **31st Mar 2018**

COMMISSION PAID
Direct 7,387,207 5,037,076
Add: Re-insurance Accepted - -
Less: Commission on Re-insurance Ceded 4,818,092 3,671,309
Net Commission **2,569,115** **1,365,767**

Break-up of the expenses (Gross)
incurred to procure Business :

Agents 6,914,619 4,741,048
Brokers 245,722 151,732
Corporate Agency 115,882 76,096
Referral - -
Others 110,984 68,200
TOTAL **7,387,207** **5,037,076**

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 4

Amt. Rs. in '000s

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars	31st Mar 2019	31st Mar 2018
1 Employees' remuneration & welfare benefits (Refer Note No.13 and Note No.17 of Sch 17)	7,208,781	6,291,861
2 Travel, conveyance and vehicle running expenses	271,205	236,860
3 Training expenses	57,762	67,680
4 Rents, rates & taxes	511,330	460,914
5 Repairs and Maintenance	199,624	211,493
6 Printing & Stationery	205,850	204,636
7 Communication	198,429	165,108
8 Legal & professional charges	102,906	106,226
9 Auditors' fees, expenses etc		
(a) as auditor	4,200	4,715
(b) as adviser or in any other capacity, in respect of		
(i) Taxation matters	2,000	2,000
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
(c) in any other capacity	655	514
(d) Out of Pocket Expenses	818	1,026
10 Advertisement and publicity	1,389,500	1,093,243
11 Interest & Bank Charges	91,170	65,706
12 Others		
- Director's Sitting Fees	1,550	1,001
- Software Expenses	273,077	240,281
- Outsourcing Expenses (Refer Note No.31 of Sch 17)	520,424	374,006
- Miscellaneous Expenses	171,074	127,461
- In House Claim Processing Cost (Refer Note No.22 of Sch 17)	(1,602,231)	(1,228,510)
- Management Expenses allocated to Profit and Loss account (Refer Note No.23 of Sch 17)	(9,897)	(43,448)
13 Depreciation	280,933	230,819
TOTAL	9,879,159	8,613,593






SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Amt. Rs. in '000s

**SCHEDULE - 5
SHARE CAPITAL**

Particulars	31st Mar 2019	31st Mar 2018
1 Authorised Capital 600,000,000 (Previous Period - 600,000,000) Equity Shares of Rs10/- each	6,000,000	6,000,000
2 Issued Capital 455,576,106 (Previous Period - 455,576,106) Equity Shares of Rs10/- each	4,555,761	4,555,761
3 Subscribed Capital 455,576,106 (Previous Period - 455,576,106) Equity Shares of Rs10/- each	4,555,761	4,555,761
4 Called-up / paid up Capital 455,576,106 (Previous Period - 455,576,106) Equity Shares of Rs10/- each (Out of above 5,714,199 (previous period 5,714,199) equity shares of Rs.10/- each issued for consideration other than cash.)	4,555,761	4,555,761
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	4,555,761	4,555,761

SCHEDULE - 5A

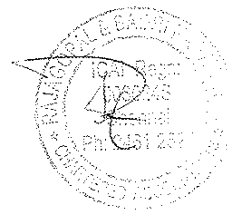
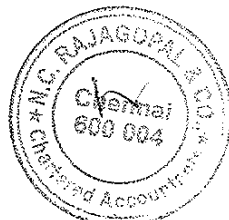
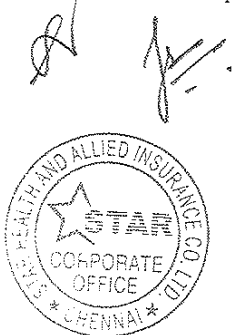
SHARE CAPITAL

PATTERN OF SHAREHOLDING *

[As certified by the Management]

Shareholder	Current Period		Previous Period	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
Indian	158,651,035	34.82%	170,924,907	37.52%
Foreign	101,582,673	22.30%	28,040,847	6.16%
Others	195,342,398	42.88%	256,610,352	56.33%
TOTAL	455,576,106	100.00%	455,576,106	100.00%

* During the current financial year, all the existing shareholders entered into a share purchase agreement whereby the substantial number of shares of the company will be ultimately sold to a new set of shareholders / purchasers as per the said agreement. The company has obtained approval from IRDAI for such transfer of shares including the recognition of some of the purchasers as promoters. The process of share transfer is in progress and for share transfers effected till the year end is depicted as above, while the balance share transfer is expected to be completed subsequent to the year end..



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

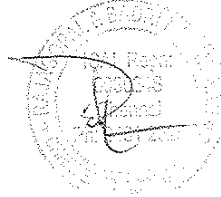
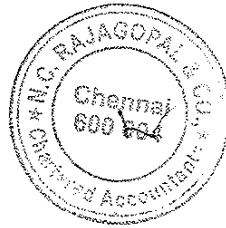
SCHEDULE - 6

RESERVES AND SURPLUS

Rs. in '000s

Particulars	31st Mar 2019	31st Mar 2018
1 Capital Reserve	-	-
2 Capital Redemption Reserve	-	-
3 Share Premium	5,745,592	5,745,592
4 General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
5 Catastrophe Reserve	-	-
6 Other Reserves		
Debenture Redemption Reserve (Refer Note No.33 of Sch 17)	125,000	-
7 Balance of Profit in Profit & Loss Account	1,003,726	-
TOTAL	6,874,318	5,745,592

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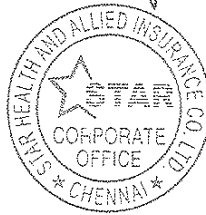
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 7 BORROWINGS

Amt. Rs. in '000s

Particulars	31st Mar 2019	31st Mar 2018
1 Debentures/ Bonds (Refer Note No.33 of Sch 17)	2,500,000	2,500,000
2 Banks	-	-
3 Financial Institutions	-	-
4 Others (to be specified)	-	-
TOTAL	2,500,000	2,500,000

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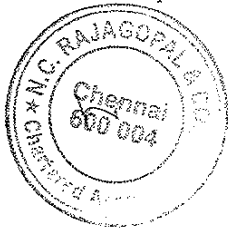
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

Schedule -8 - SHAREHOLDERS

INVESTMENTS

Amnt. Rs. in '000s

Particulars	31st Mar 2019	31st Mar 2018
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	6,769,806	4,214,680
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	1,252,686	880,338
(e) Other Securities (to be specified)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate (Refer Note No. 6 (c) of Sch 17)	28,585	10,043
4 Investments in Infrastructure and Social Sector	4,091,700	3,284,085
5 Other than Approved Investments (Refer Note No. 6 (d) of Sch 17)	201,805	-
SHORT TERM INVESTMENTS		
6 Government securities and Government guaranteed bonds including Treasury Bills	-	-
7 Other Approved Securities	-	-
8 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(a) Derivative Instruments	-	-
(b) Debentures / Bonds	17,266	169,742
(c) Other Securities	-	-
(d) Subsidiaries	-	-
(e) Investment Properties-Real Estate (Refer Note No. 6 (c) of Sch 17)	-	-
9 Investments in Infrastructure and Social Sector	41,063	99,974
10 Other than Approved Investments (Refer Note No. 6 (d) of Sch 17)	20,500	-
TOTAL	12,423,411	8,658,862
Aggregate Market Value of Quoted Investments other than equity shares.	12,277,657	8,550,137
Aggregate Book Value of Quoted Investments other than equity shares	12,394,826	8,648,819
Aggregate Book Value of Un-Quoted Investments - Investment Properties	28,585	10,043
Aggregate Market Value of Investment Properties	28,585	10,043

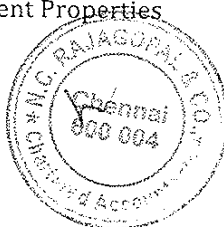
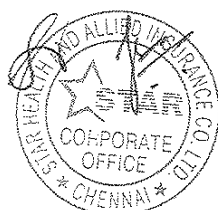


SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**Schedule -8A - POLICYHOLDERS
INVESTMENTS**

Amt. Rs. in '000s

Particulars	31st Mar 2019	31st Mar 2018
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	9,741,916	6,322,019
2 Other Approved Securities	-	-
3 Other Investments	-	-
(a) Shares	-	-
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	1,802,645	1,320,508
(e) Other Securities (to be specified)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate (Refer Note No. 6 (c) of Sch 17)	41,135	15,065
4 Investments in Infrastructure and Social Sector	5,888,057	4,926,128
5 Other than Approved Investments (Refer Note No. 6 (d) of Sch 17)	290,402	-
SHORT TERM INVESTMENTS		
6 Government securities and Government guaranteed bonds including Treasury Bills	-	-
7 Other Approved Securities	-	-
8 Other Investments	-	-
(a) Shares	-	-
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(a) Derivative Instruments	-	-
(b) Debentures / Bonds	24,847	254,613
(c) Other Securities	-	-
(d) Subsidiaries	-	-
(e) Investment Properties-Real Estate (Refer Note No. 6 (c) of Sch 17)	-	-
9 Investments in Infrastructure and Social Sector	59,091	149,960
10 Other than Approved Investments (Refer Note No. 6 (d) of Sch 17)	29,500	-
TOTAL	17,877,593	12,988,293
Aggregate Market Value of Quoted Investments other than equity shares.	17,667,849	12,825,205
Aggregate Book Value of Quoted Investments other than equity shares	17,836,457	12,973,228
Aggregate Book Value of Un-Quoted Investments - Investment Properties	41,135	15,065
Aggregate Market Value of Investment Properties	41,135	15,065



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 9

LOANS

Amt. Rs. in '000,

Particulars	31st Mar 2019	31st Mar 2018
1 SECURITY-WISE CLASSIFICATION		
Secured		
(a) On mortgage of property	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others (to be specified)	-	-
Unsecured	-	-
TOTAL	-	-
2 BORROWER-WISE CLASSIFICATION		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others (Inter Corporate Deposit)	-	-
TOTAL	-	-
3 PERFORMANCE-WISE CLASSIFICATION		
(a) Loans classified as standard	-	-
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions	-	-
(aa) In India	-	-
(bb) Outside India	-	-
TOTAL	-	-
4 MATURITY-WISE CLASSIFICATION		
(a) Short Term	-	-
(b) Long Term	-	-
TOTAL	-	-






SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 10
FIXED ASSETS

Amt. Rs. in '000s

	Particulars	Opening As On 01.04.2018		Cost/ Gross Block		Closing As On 31.03.2019		Depreciation			Net Assets As On 31.03.2019		Net Assets As On 31.03.2018	
				Additions	Deductions			For The Period	On Sales/ Adjustments	Closing As On 31.03.2019				
1	Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Intangibles - IT Software	1,064,932	-	157,232	-	1,222,164	710,842	129,559	-	840,401	381,763	354,090	-	-
3	Land - Freehold	75,600	-	11,600	75,600	11,600	-	-	-	-	11,600	75,600	-	-
4	Leasehold Property	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Buildings	-	-	14,878	-	14,878	-	52	-	52	14,826	-	-	-
6	Furniture & Fittings Information Technology	299,780	-	31,827	28,727	302,880	127,999	37,751	13,637	152,113	150,767	171,781	-	-
7	Equipment	700,341	-	56,186	264	756,263	484,088	80,559	113	564,534	191,729	216,253	-	-
8	Vehicles	31,967	-	2,048	6,228	27,787	14,201	3,125	4,037	13,289	14,498	17,766	-	-
9	Office Equipment	233,732	-	23,084	2,115	254,701	145,903	29,887	1,619	174,171	80,530	87,829	-	-
10	Others	-	-	-	-	-	-	-	-	-	-	-	-	-
	Temporary Construction	2,567	-	-	-	2,567	2,438	-	-	2,438	129	-	-	-
	Total	2,408,919	-	296,854	112,933	2,592,840	1,485,471	280,933	19,406	1,746,997	845,842	923,448	-	-
	Capital work in progress	46,160	-	149,339	60,711	134,788	-	-	-	-	134,788	46,160	-	-
	Grand Total	2,455,079	-	446,193	173,644	2,727,628	1,485,471	280,933	19,406	1,746,997	980,630	969,608	-	-
	Previous Period	2,092,970	-	449,077	86,968	2,455,079	1,254,898	230,819	246	1,485,471	-	-	-	-

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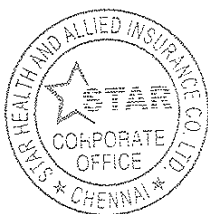


SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE- 11

CASH AND BANK BALANCES

Particulars	31st Mar 2019	31st Mar 2018
1 Cash (including cheques, drafts and stamps)	2,486,003	1,272,769
2 Bank Balances		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months)	1,428,700	1,283,800
(bb) Others	-	19,800
(b) Current Accounts (Refer Note No. 3 of Sch 17) (includes Rs.3,500,000 thousands of share application money kept in earmarked account pending allotment)	5,015,537	2,443,599
(c) Others (to be specified)	-	-
3 Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
4 Others	-	-
TOTAL	8,930,240	5,019,968



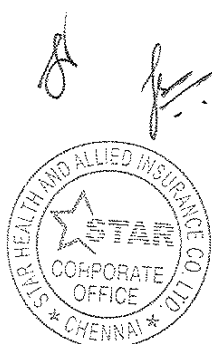
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 12

Amt. Rs. in '000-

ADVANCES AND OTHER ASSETS

Particulars	31st Mar 2019	31st Mar 2018
A ADVANCES		
1 Reserve deposits with ceding companies	-	-
2 Application money for investments	-	-
3 Prepayments (Refer Note No.26 of Sch 17)	144,888	134,709
4 Advances to Directors/Officers	-	-
5 Advance tax paid and taxes deducted at source (Net of Provisions for Tax amounting 820,824.45 ; Previous Year NIL)	113,772	109,776
6 Others		
Travel Advance	170	127
Rental Advance	234,882	216,602
Telephone Deposit	623	544
Staff Advance	131,219	104,828
Other Advances (Refer Note No. 15 & 27 of Sch 17)	56,168	50,826
Security Deposits (Refer Note No.28 of Sch 17)	22,299	30,500
Postal Deposits	2,473	4,136
TOTAL (A)	706,495	652,048
B OTHER ASSETS		
1 Income accrued on investments	785,347	603,977
2 Outstanding Premiums (Refer Note No.29 of Sch 17)	343,186	358,438
3 Agents' Balances - Professional tax recoverable	6,649	1,831
4 Foreign Agencies Balances	-	-
5 Due from other entities carrying on insurance business (including reinsurers) (Refer Note No.30 of Sch 17)	4,190,560	3,083,593
6 Due from subsidiaries/ holding	-	-
7 Deposit with RBI	-	-
[Pursuant to section 7 of Insurance Act, 1938]		
8 Others		
Service Tax Input Credit	-	7,742
GST Input Credit	427,679	291,458
Service Tax on Collection (Refer Note No.2(f) of Sch 17)	65,209	80,142
MAT Credit Entitlement	500,195	755,737
Fixed Deposit for Unclaimed amount of Policy Holder	89,300	-
Fixed Deposit Interest accrued on unclaimed amount of policyholders	1,661	-
TOTAL (B)	6,409,786	5,182,918
TOTAL (A+B)	7,116,281	5,834,966



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 13

Amt. Rs. in '000s

CURRENT LIABILITIES

Particulars	31st Mar 2019	31st Mar 2018
1 Agents' Balances	407,522	318,110
2 Balances due to other insurance companies	4,451	2,806
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	413,905	236,014
5 Unallocated Premium	76,236	67,330
6 Sundry creditors	1,801,771	675,597
7 Due to subsidiaries/ holding company	-	-
8 Claims Outstanding	3,622,874	2,044,069
9 Due to Officers/ Directors	-	-
10 Unclaimed Amount of policyholders (Refer Note No.24 of Sch 17)	67,637	3,512
11 Others		
- Premium Deposit on Corporate Accounts	286,204	147,784
- Interest on Non Convertible Debentures	214,171	123,749
- Statutory dues payable	2,239,985	1,750,961
- Advance receipt against sale of investment property	-	5,000
TOTAL	9,134,756	5,374,931

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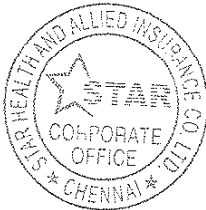


SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 14 PROVISIONS

All Rs. in '000s

Particulars	31st Mar 2019	31st Mar 2018
1 Reserve for Unexpired Risk	20,643,548	15,980,189
2 For taxation (less advance tax paid and taxes deducted at source amounting Nil ; Previous Year Nil)	-	-
3 For proposed dividends	-	-
4 For dividend distribution tax	-	-
5 Others	-	-
- Provision for Gratuity (Refer Note No.8 of Sch 17)	19,831	20,674
- Provision for Impairment of Investments (Refer Note No.6 (d) of Sch 17)	97,500	-
TOTAL	20,760,879	16,000,863



SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 15

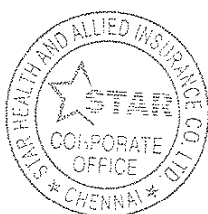
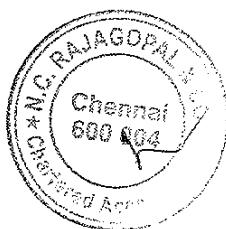
MISCELLANEOUS EXPENDITURE

Amt. Rs. in '000s

(To the extent not written off or adjusted)

Particulars	31st Mar 2019	31st Mar 2018
1 Discount Allowed in issue of shares/ debentures	-	-
2 Others	-	-
TOTAL	-	-



SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, in accordance with the generally accepted accounting practices and accounting requirements prescribed by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the Accounting Regulations') and amendments if any, the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI') and the requirements of the Companies Act, 2013 ('the Companies Act'), to the extent applicable.

The Company follows the mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of certain assets and liabilities as of the Balance sheet date, reported amount of certain revenues and expenses for the year and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognized prospectively in current and future periods.

3. Revenue recognition for insurance business

3.1 Premium

Premium (net of Service tax / GST) is recognized as income over the contract period or period of risk, as appropriate and for premium receivable on installment basis, it is recognized on installment due dates after adjusting for unearned premium (unexpired risk) and premium deficiency, if any. Subsequent revisions to or cancellations of premium are accounted for in the year in which they occur.

Premium deficiency is recognized whenever expected claims cost, related expenses and maintenance cost exceed related reserve for unexpired risk in Miscellaneous Revenue Accounts.

3.2 Investment Income

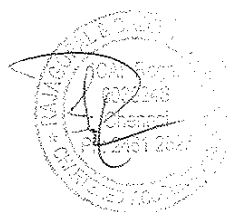
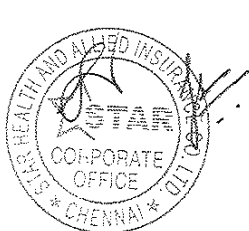
Interest income on investment is recognized on accrual basis.

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

Profit or Loss on sale of securities is recognized on trade date. Cost of securities is arrived on weighted average cost basis.

3.3 Income from reinsurance business

Commission on reinsurance business is recognized as income on accrual basis.



4. Reserve for Unexpired risk

Reserve for unexpired risks is created as the amount representing that part of the premium written which is attributable to and allocated to the succeeding accounting periods and has been created at 50% of the Net Written Premium of the preceding 12 months as per the directives issued by IRDAI from time to time.

5. Premium received in advance

This represents premium received during the year, where the risk commences subsequent to the balance sheet date.

6. Reinsurance

Reinsurance is ceded in the year in which risk commences and recognized over the contract period or the period of risk, whichever is appropriate as per the treaty arrangements. Any subsequent revision to or cancellation of premium is recognized in the year in which they occur. Unearned premium on reinsurance ceded is carried forward to the period of risk and set off against related unearned premium.

Premium on excess of loss reinsurance cover is accounted as premium ceded as per the reinsurance arrangements.

7. Acquisition cost

Acquisition costs are those that vary with and are primarily cost that are related to acquisition of new and renewal contracts and are expensed in the year in which they are incurred.

8. Claims

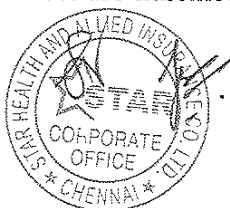
Claims incurred represents claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER). It also includes legal and investigation fees and In House claims processing expenditure calculated at the rate of 3% of Gross Premium pertaining to Health (Retail & Group) Segment.

Estimated liability for outstanding claims in respect of direct business is provided on the basis of claims reported till the end of the financial year. IBNR and IBNER represent that amount of claims that may have been incurred during the accounting period but have not been reported / not enough reported. The Panel actuary for the purpose has certified the said amount on the basis of available statistical data.

9. Investments

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

Investments are recorded at cost on trade date including acquisition charges (such as brokerage, transfer stamps etc), if any, and exclude interest accrued upto the date of purchase. Investments maturing within or intended to be held for a period of less than twelve months from the balance sheet date are classified as 'Short term investments' while those maturing beyond or intended to be held for a period of twelve months or above from the balance sheet date are classified as 'Long term investments'.



Debt Securities

The net realized gains/losses on debt securities are the difference between the net sale consideration and the amortized cost, which is computed on weighted average basis.

Debt securities, which include government securities are considered as 'held-to-maturity' and are measured at historical cost. Accretion of discount and amortization of premium relating to debt securities is recognized over the holding or maturity period on a straight line basis.

Mutual Funds

All mutual fund investments are valued at realisable Net Asset Value and any unrealised gains or losses is accounted at each balance sheet date in "Fair Value Change Account" and carried forward to the Balance Sheet.

Profit / (loss) on actual sale of units of a particular mutual fund shall include the accumulated fair value change thereof and is recycled to the profit and loss account.

Investments though not separately classified in the accounts, are identified on aggregate basis with policy holders and share holders funds on same line as investment income.

Investment income is allocated to the Miscellaneous Revenue accounts and the Profit and Loss Account based on the ratio of average of "Policy Holders' Funds" and "Shareholders' Funds" respectively (average of funds at the beginning and at the end of the year).

The Policy Holders Funds for this purpose shall include the following:

- A) Outstanding Claims including Incurred but not Reported and Incurred but not enough reported
- B) Unearned Premium Reserve
- C) Premium Deficiency Reserve
- D) Catastrophe Reserve
- E) Other Liabilities net off Other Assets

Other Liabilities in point 'E' comprises of:

- i) Premium Received in Advance ii) Unallocated Premium iii) Balance due to Other Insurance Companies iv) Due to other members of a pool such as third party pool v) Terrorism Pool vi) Sundry Creditors due to Policy Holders

Other Assets in point 'E' comprises of:

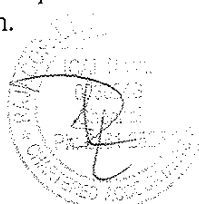
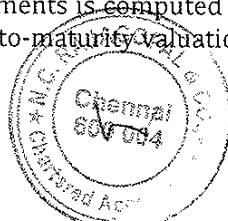
- i) Outstanding Premium ii) Due from other entities carrying on Insurance Business including reinsurers iii) Balance with pool such as third party pool iv) Balance with Terrorism Pool

The Share Holders Funds for this purpose shall include the following:

- A) Share Capital
- B) Reserves & Surplus (except Revaluation Reserve and Fair Value change account)
- C) Net of Accumulated Losses & Miscellaneous Expenditure to the extent not written off as the balance sheet date

The above segregation is as per the Schedule II of Regulation 8 of Investment Regulation 2016 and the same has been came into effect vide circular No IRDA/F&A/CIR/CPM/056/03/2016 dated 04.04.2016.

Fair value of investments is computed for quoted investments on the basis of the last available market price/yield-to-maturity valuation.



Investment properties relating to Immovable properties are recorded at historical cost.

Investment in units of REIT included under Investment Property are valued at market value as per the last quoted price in National stock exchange. Where the market quote is not available in the last 30 days, the units shall be valued as per the latest NAV of the units published by the trust.

10. Fixed Assets and Intangibles

Fixed assets are stated at cost less accumulated depreciation. Cost includes purchase price and any incidental expenses relating to acquisition and installation.

Depreciation is provided on a straight line basis based on the useful life prescribed in the Schedule II to the Companies Act, 2013 except in the case of networking equipments included in Information Technology Equipments, where the useful life is estimated to be 5 years based on the internal technical evaluations.

Intangibles assets representing computer software are stated at cost less amortization. Computer software including improvements is amortized over a period of five years, being the management's estimate of the useful life of such intangibles.

Depreciation/Amortization on assets including Intangible assets purchased/disposed off during the year is provided on pro-rata basis with reference to the date of purchase/disposal.

All assets including intangibles individually costing less than Rs. 5000/- are fully depreciated/amortized in the year in which it is acquired.

Capital Work-in-progress represents development of Computer Software which is not ready for its intended use.

Impairment of Assets

The company assess at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such asset is reduced to its recoverable amount and the impairment loss is recognized in the Profit & Loss Account. The recoverable amount is higher of the net selling price of the assets and their value in use.

11. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period available to equity shareholders by the weighted average number of equity shares outstanding during the period.

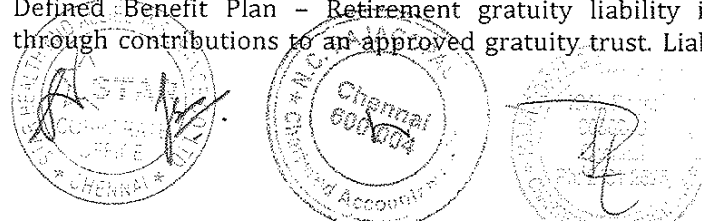
12. Operating expenses

Operating expenses relating to insurance business are allocated to the miscellaneous revenue account, since the company is transacting only in Health Segment.

13. Retirement Benefits

Provident fund contributions and ESI contributions are made to the respective authorities at the prescribed rates and charged to Miscellaneous Revenue account and Profit & Loss account.

Defined Benefit Plan – Retirement gratuity liability is funded with Insurance Company through contributions to an approved gratuity trust. Liability therefore at each Balance sheet



date is arrived at by external actuarial valuation by the fund manager using the projected unit credit method. Differential liability therefore is recognized in the accounts each year.

The Actuarial gains/losses are recognized in the Revenue accounts.

14. Foreign Currency transactions

Transactions in foreign currency are recorded at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the closing rate of exchange at the year-end.

Exchange differences arising on foreign currency transactions are recognised as income or expense in the year in which they arise.

15. Taxation

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income-tax Act, 1961. Deferred income-tax reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is a virtual certainty that such deferred tax assets can be realised against future taxable profits. Other deferred tax assets of earlier years are reassessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which, such deferred tax assets can be realised.

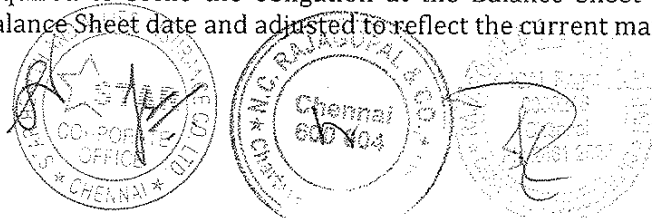
Deferred tax asset is reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably certain to be realized.

16. MAT Credit Entitlement

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

17. Contingencies

In accordance with Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets issued by ICAI, to the extent applicable to the company, provisions are created in respect of obligations as a result of past events and it is probable that an outflow of resources will be required to settle the obligations, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These will be reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.



SCHEDULE 17

NOTES TO FINANCIAL STATEMENTS

1) Star Health And Allied Insurance Company Limited ('the Company') was incorporated under the Companies Act, 1956 on 17th June 2005. The Company received its Certificate of Registration from the Insurance Regulatory and Development Authority of India to transact General Insurance Business from 16th March 2006.

2)

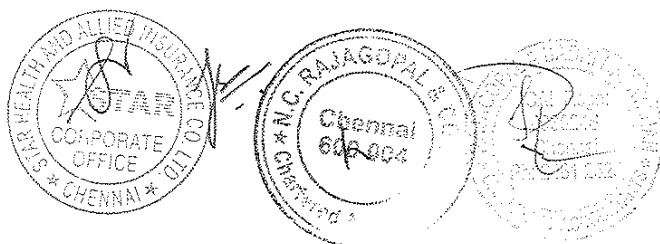
a) The Company has no contingent liabilities in respect of the following as at 31st March, 2019 as well as in the previous financial year:

- Partly paid investments - NIL
- Underwriting commitments relating to investment activities - NIL
- Claims, other than those under policies, not acknowledged as debts - NIL
- Guarantees given by or issued on behalf of the Company - NIL
- Statutory demands/liabilities in dispute, not provided for :

b) During the financial year 2009-10, the company had received a Show Cause notice from Income Tax Authorities for non deduction of Tax at Source under section 194J of the Income Tax Act- 1961, in respect of cashless claims for payments made to the hospitals. In the absence of any demand from the Income tax authorities the amount is not quantifiable.

c) The Company has received Income Tax Assessment Orders for various Assessment Years with demands aggregating to Rs. 626,758 thousands (PY: Rs. 626,758 thousands) as per the details given below, on account of applying the provisions of Sec 115 JB of Income Tax Act, 1961 and other disallowances under the Income Tax Act- 1961. The Company has filed individual writ petitions, for each of the Assessment years, disputing the assessment and demands before the Honorable High Court of Madras which has granted interim stay for all the 3 years, consequent to the amendments in the provision of section 115JB of the Income Tax Act 1961, confirming the applicability of provisions of the said section, with effect from AY 2014-15 onwards, In the opinion of the company, the said demands are not sustainable and hence no provision is considered necessary in the books.

Assessment Year	Amount (Rs.'000)
2009-10	245,820
2010-11	133,724
2011-12	247,214
Total	626,758

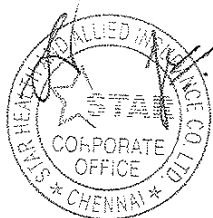


- d) The Company is of the view that retrospective payment of Bonus is not appropriate and accordingly for bonus computation such retrospective amendment has not been taken in consideration. The additional liability on account of retrospective amendment is Rs. 14,831 thousands (PY: Rs.14,831 thousands). The retrospective amendment is being challenged by various parties in the High Court and based on the final outcome on determination of the court cases would be accounted for on that date.
- e) During the Financial year 2017-18, the Company had received an order dated March 26th, 2018 from the principal Commissioner of GST & Central Excise imposing a demand of Rs. 55,362 thousands towards Service tax and penalty payable for the alleged nonpayment of Service tax on the Reinsurance premium of RSBY premium received by the company during the period 2013-14. The company has filed an appeal against the said order with the appropriate appellate forums and also deposited an amount of Rs. 2,076 thousands. Based on the legal opinion obtained, the company is of the view that the said demands are not sustainable in law and hence no provision is considered necessary in the books.
- f) As at March 31, 2019, the Company has Rs. 65,209 thousands in the books, as receivable from the GST & Central Excise department (being excess payment of Service tax made during the period April 2016 to June 2017), for which the application for refund was made. However, the same was rejected by the authorities vide order dated 31st March, 2019. The Company is in the process of filing an appeal against the said order with the appropriate appellate authority and is confident of recovering the amounts held by the Department based on the legal opinion and accordingly, the same is considered as good and recoverable.
- g) Reinsurance obligations to the extent not provided for in the accounts – NIL

3. Share Application money

During the current year, the board had approved to make an offer for subscription of equity shares on private placement. The Company offered 24,530,418 shares with face value of Rs. 10 at a premium of Rs. 132.68. Subsequent to this, the Company had received share application money aggregating to Rs. 3,500,000 thousands from various investors on December 31, 2018. On receipt of the application monies, the Company had sought the approval from IRDAI as mandated by Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulation, 2015, which was obtained vide letter dated April 16, 2019 from IRDAI for issue of such shares. The Company on May 16, 2019, allotted 20,430,334 shares with face value of Rs. 10 at the premium of Rs. 132.68 to two domestic investors. With regard to the balance shares, the required approvals (being procedural in nature) from appropriate authorities for allotment are awaited and the same will be completed soon.

Consequently, as at March 31, 2019, all monies received aggregating to Rs. 3,500,000 thousands has been disclosed under Share application money pending allotment. Considering that the approval has been obtained from IRDAI for allotment of shares, the Company has taken the same in Solvency calculations.



4. Commitment made for Investment and Fixed Asset.

Particulars	Amount (Rs ' 000)	
	31st March 2019	31st March 2018
Commitments made and outstanding for loans and investments	NIL	NIL
Estimated Amount of contracts remaining to be executed on capital account and not provided for (net of advances)	130,480	160,756

5. The assets of the Company are free from encumbrances.

6. Investments:

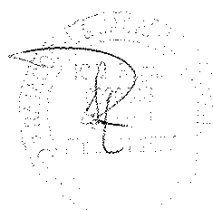
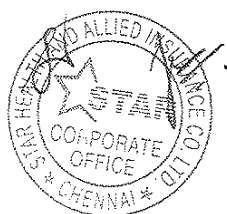
(a)

Particulars	Amount (Rs ' 000)	
	31st March 2019	31st March 2018
Contracts for sale where payments are overdue	NIL	NIL
Contracts for purchases due for delivery on the balance sheet date. (since received)	NIL	NIL
Non-Performing Investment (Refer note 6 (d) below)	195,450	NIL

(b) Profit on sale of investments of Rs. 8,225 thousands (PY: Rs. 116,925 thousands), allocated to Revenue and Profit and Loss Account in accordance with the Accounting Policy of the Company.

(c) The company has invested 232,400 units in Embassy Office Parks REIT amounting to Rs. 69,720 thousands in the current financial year. As per the accounting policy, these units have to be valued at Market Value. However, they are carried at cost as they were first quoted in NSE (higher than the carrying cost) subsequent to the year-end i.e.1st April 2019.

(d) The company has investments in Infrastructure Leasing & Financial services Ltd (IL&FS) in the form of secured NCDs aggregating to Rs. 195,450 thousands. During the year, the credit rating of the company's investments in debentures of IL &FS was downgraded from AAA to D by credit rating agencies. Subsequently, IL&FS had defaulted on interest payments which fell due. Consequently, as per IRDAI guidelines on Prudential Norms for Income Recognition, Asset classification, provisioning and other related matters in respect of Debt portfolio (Prudential norms), the said investments have become Non Performing Asset (NPA) which requires a provisioning of 10%. However, as a matter of prudence, the Company has decided to make a provision of 50% of the total investments held in IL&FS as diminution in value of investments. The Company would constantly monitor and review the situation and take appropriate steps for recovery. For the purpose of disclosure, the market value is considered to be the carrying cost in the books.



7. Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments for the non-cancellable period of the operating leases are recognized as an expense over the lease term. Lease payments debited to the profit and loss account during the year amounts to Rs. 389,811 thousands (PY: 347,428 thousands). The disclosure in respect of operating leases are as follows :

Minimum Lease Payments	Amount (Rs ' 000)	
	31 st March 2019	31 st March 2018
Not later than one year	44,702	78,974
Later than 1 year but not later than 5 years	19,181	43,924
Later than 5 years	-	-

The previous year figures have also been changed accordingly for the purpose of comparison.

8. Disclosure as per AS – 15 “Employee Benefits”

Gratuity

The Company has a defined gratuity benefit plan payable to every employee on separation from employment. The Company makes the contribution to an approved gratuity fund which is maintained and managed by Life Insurance Corporation of India.

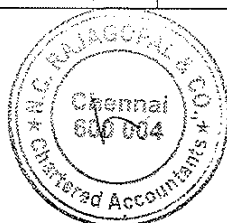
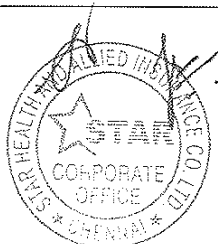
Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits of the Company is given below:

Particulars	Amount (Rs'000)	
Assumptions	31-03-2019	31-03-2018
Discount Rate	7.76%	7.73%
Salary Escalation	3.00% (for first 5 yrs) 1.50% (thereafter)	2.00%
Attrition rate	2.00%	1.00%
Expected Return on Plan Assets	7.73%	7.73%
Mortality Rate Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Table showing changes in present value of obligations- LIC Fund		
Present value of obligations as at beginning of year	173,251	124,500
Interest cost	12,624	9,446
Current Service Cost	36,319	29,302
Prior service cost	7,415	0
Benefits Paid	(19,889)	(12,849)
Actuarial (gain) / loss on obligation	33,644	22,851
Present value of obligations as at end of year	243,364	173,251

Table showing changes in the fair value of plan assets- LIC Fund		
Fair value of plan assets at beginning of year	152,579	107,130
Expected return on plan assets	13,996	9,669
Contributions	76,847	48,754
Benefits paid	(19,889)	(12,849)
Actuarial gain / (loss) on plan assets	-	(125)
Fair value of plan assets at the end of year	223,533	152,579
Actuarial (Gain)/Loss recognized		
Actuarial (gain) /loss on obligation	33,644	22,851
Actuarial (gain) / loss on plan assets	-	-
Actuarial (gain) / loss recognized in the year	33,644	22,851
Reconciliation of Present Value of the obligation and the Fair Value of the Plan Assets		
Present value of obligations as at the end of year	243,364	173,251
Fair value of plan assets as at the end of the year	223,533	152,579
Funded status	(19,831)	(20,672)
Net (Liability) Recognized in the Balance Sheet	(19,831)	(20,672)
Investment details of plan assets		
100% Insurer Managed Funds	223,533	152,579
Expenses Recognized in statement of Profit & loss		
Current Service cost	36,319	29,302
Past service cost	7,415	0
Interest Cost	12,624	9,446
Expected return on plan assets	(13,996)	(9,669)
Net Actuarial (gain) / loss recognized in the year	33,644	22,976
Expenses to be recognized in the profit & loss	76,005	52,056

Amounts for the current and previous four periods are as follows:

Name of shareholders	2018-19	2017-18	2016-17	2015-16	2014-15
Defined Benefit Obligations	243,364	173,251	124,500	85,092	58,813
Plan Assets	223,533	152,579	107,130	71,536	59,662
Surplus/(Deficit)	(19,831)	(20,672)	(17,370)	(13,556)	849
Experience adjustments on Plan assets	-	125	-	-	-
Experience adjustments on Plan Liabilities	17,373	67,598	-	-	-



9. Claims Outstanding (Gross excluding IBNR):

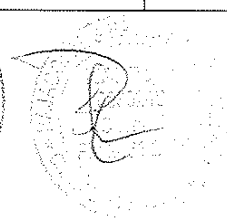
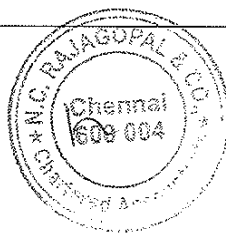
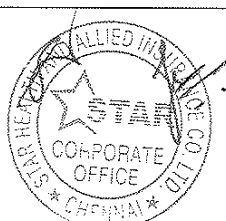
Pending for	FY 2018 - 19		FY 2017 - 18	
	No. of Claims	Amount (Rs.'000)	No. of Claims	Amount (Rs.'000)
Less than or equal to 6 months	41,466	2,688,678	30,217	1,432,223
More than 6 months Less than or equal to 1 year	1481	157,083	1,269	48,833
More than 1 year Less than or equal to 2 year	400	30,408	102	31,873
More than 2 years	77	41,857	30	23,396
Total	43,404	2,918,026	31,618	1,536,325

The claims were outstanding predominantly due to non-submission of essential documents by the insured. As at the year end, there are Nil Claims (PY - Nil claims) outstanding for a period exceeding six months from the date when settlement has been agreed. The Claims does not include RSBY Chattisgarh, Punjab and Goa's outstanding for FY 2018-19 and 2017-18.

- 10.** In accordance with the Company's Accounting policy for Deferred Taxation, the net deferred tax liability of Rs. 2,441 thousands has been recognized (PY: Deferred tax asset: Rs. 96,717 thousands as per the calculation given below has not been recognized in the absence of virtual certainty).

The details of Net Deferred Tax Asset / Liability are as under:

Timing Difference on Account of	As At 31st March 2019		As At 31st March 2018	
	Deferred Tax Asset	Deferred Tax Liability	Deferred Tax Asset	Deferred Tax Liability
Carried Forward Loss	-	-	-	-
• On Depreciation Loss	-	-	153,243	-
• On Business Loss	-	-	-	-
• URR Differences	-	-	-	-
Depreciation differences	-	37,385	-	85,483
Provision for Bonus	34,944	-	21,803	-
Provision for Gratuity	-	-	7,154	-
Total	34,944	37,385	182,200	85,483
Net Deferred Tax Asset / (Liability)	(2,441)		96,717	
Deferred Tax Expense / (Income) recognized in Profit & Loss A/c	2,441		-	



11. The sector wise gross written premium is as follows:

Sector	For the year ended 31 st March 2019				For the year ended 31 st March 2018			
	No. of policies	No. of Lives	GWP Rs. '000	%	No. of policies	No. of Lives	GWP Rs. '000	%
Rural	806,343	21,64,371	8,140,945	15.07	617,304	1,643,519	5,747,096	13.80
Social	529,255	1,574,945	6,580,747	12.18	518,259	1,446,189	5,698,155	13.69
Others	2,959,235	9,766,890	39,291,233	72.74	2,458,594	7,566,504	30,165,896	72.51
Total	4,294,833	13,506,206	54,012,925	100	3,594,157	10,656,212	41,611,147	100

12. Premium Income recognized based on the varying risk pattern is Nil (PY - Nil).

13. Managerial Remuneration (as per applicable statutes) paid to the Managing Director is included in the Employee benefits and details are as follows:

(Rs '000)

	31 st March 2019	31 st March 2018
Salary - Disclosed in P&L	25,662	25,552
Salary - Disclosed in Sch:4	14,338	14,321
Allowances and Perquisites - Disclosed in Sch:4	662	547
Total	40,662	40,420

14. Related Party Disclosure:

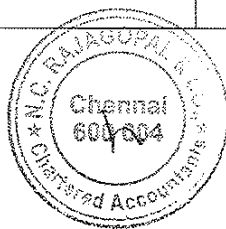
A. List of Related Parties

Key Managerial Personnel (KMP) (With whom transactions have taken place)	Mr. V. Jagannathan (Chairman cum Managing Director - CMD)
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B. Transactions with Related Parties

(Rs '000)

Transactions during the year	KMP	
	31 st March 2019	31 st March 2018
Remuneration paid to KMP	40,662	40,420
Balance Outstanding at the end of the year	-	-
Share Capital	126,305	126,305



15. Other Receivables includes a sum of Rs. 39,150 thousands (PY: Rs. 12,272 thousands) being the amount recoverable from purchasers of the stake sale, considered good and recoverable based on the mutually agreed terms and conditions contained in the share purchase agreement.

16. Extent of Risk retained and Re-insured

Particulars	31 st March 2019	31 st March 2018
Risk Retained (%)	76.44%	76.81%
Risk Re-insured (%)	23.56%	23.19%

17. Employer provident fund contributions

Breakup of Employees' remuneration & welfare benefits under Schedule 4 – Operating Expenses related to Insurance business is as follows:

(Rs '000)

Particulars	31 st March 2019	31 st March 2018
Salary, wages, Bonus and Other allowances	6,968,695	6,073,922
Employer contribution to provident funds	240,036	217,939
Total	7,208,781	6,291,861

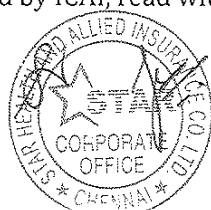
18. Disclosure as per AS – 20 “ Earnings Per Share “

(Rs '000)

S.No.	Particulars	31 st March 2019	31 st March 2018
1	Net Profit / (Loss) Attributable to Shareholders	1,709,174	1,701,548
2	Weighted Average No. of Equity Shares Issued for Basic EPS (in numbers)	455,576,106	455,576,106
3	Weighted Average No. of Equity Shares Issued for Diluted EPS (in numbers)	461,776,973	455,576,106
4	Basic Earnings Per Share (in Rs.)	3.75	3.73
5	Diluted Earnings Per Share (in Rs.)	3.70	3.73
6	Nominal Value Per Share (in Rs.)	10.00	10.00

19. Segment Reporting :

The Company carries on non-life insurance business in India. The Company has provided primary segmental information, in Annexure 1, as required by Accounting Standard 17 – ‘Segment Reporting’ issued by ICAI, read with Accounting Regulations.



20. Summary of Financial Statements and Accounting Ratios:

A summary of financial statements and Accounting Ratios as per the formats prescribed by the IRDAI in its circular dated 29th April, 2003 is provided in Annexure 2 and Annexure 3.

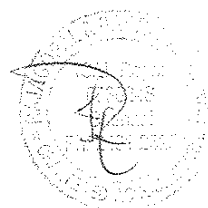
21. Amortization of premium / (Accretion of discount) on investments details are as follows:

(Rs '000)		
Particulars	31 st March 2019	31 st March 2018
Revenue Account		
Fire	NIL	NIL
Marine	NIL	NIL
Miscellaneous	44,632	36,674
Profit & Loss Account		
Share Holders	31,015	24,450
Total	75,647	61,124

Amortization of premium pertaining to revenue a/c and the profit & loss a/c have been adjusted against Interest, Dividend & Rent credited to the respective accounts.

22. During the year Company has transferred from Operating Expenses (Ref: Schedule 4 of the Financial Statements under "Others - In House Claims Processing Cost") to Claims cost an amount of Rs. 1,602,231 thousands (PY: Rs. 1,228,510 thousands) being 3% of the gross premium (excluding co-insurance inward) pertaining to Health & PA segment towards In House Claims processing expenditure based on the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016.

23. During the financial year under review, the company has exceeded the sub segment limits prescribed under section 40C of The Insurance Act 1938, read with Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016, by an amount of Rs. 9,897 thousands, (PY: Rs. 43,448 thousands) and the same has been allocated to profit and loss account as mandated by the regulations.



24. Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders

(For the Year ended 31st March 2019)

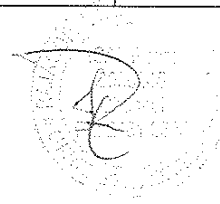
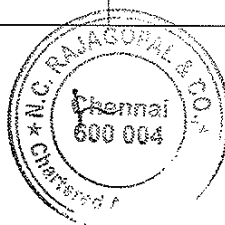
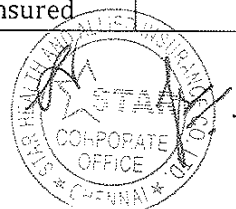
(Rs '000)

Particulars	Total Amount	AGE-WISE ANALYSIS						
		1-6 months	7-12 months	13-18 months	19- 24 months	25 - 30 months	31 - 36 months	Beyond 36 Months
Claims settled but not paid to the policyholders	-	-	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise	-	-	-	-	-	-	-	-
Excess Premium / Refunds (Due to the Insured)	22,076	21,779	298	-	-	-	-	-
Cheques issued but not encashed by the policyholder/ insured	43,975	30,885	13,089	-	-	-	-	-
Total	66,051	52,664	13,387					

(For the Year ended 31st March 2018)

(Rs '000)

Particulars	Total Amount	AGE-WISE ANALYSIS						
		1-6 months	7-12 months	13-18 months	19- 24 months	25 - 30 months	31 - 36 months	Beyond 36 Months
Claims settled but not paid to the policyholders	-	-	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise	-	-	-	-	-	-	-	-
Excess Premium / Refunds (Due to the Insured)	3,512	3,512	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/ insured	-	-	-	-	-	-	-	-



Details of Unclaimed Amount and Investment Income

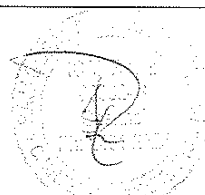
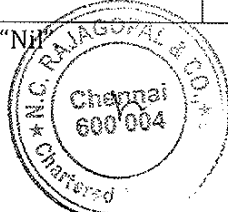
(Rs. In 000s)

Particulars	Financial year 2018-19	Financial Year 2017-18
Opening Balance	3,512	12,952
Add: Amount transferred to Unclaimed Fund	-	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the Cheques are stale)	73,324	950,851
Add: Investment Income on Unclaimed Fund	1,661	-
Less: Amount of claims paid during the year	10,860	960,291
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	-	-
Closing Balance of Unclaimed Amount Fund	67,637	3,512

25. Penal actions by various Statutory Authorities:

S.No.	Authority	Non-Compliance/ Violation	Amount in Rs.'000		
			Penalty Awarded	Penalty Paid	Penalty Waived / Reduced
1	Insurance Regulatory and Development Authority of India			NIL	
2	Service Tax Authorities			NIL	
3	Income Tax Authorities			NIL	
4	Any other Tax Authorities			NIL	
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA			NIL	
6	Registrar of Companies / NCLT / CLB / Department of Corporate Affairs or any Authority under Companies Act, 1956			NIL	
7	Penalty awarded by any Court / Tribunal for any matter including claim settlement but excluding compensation			NIL	
8	Securities and Exchange Board of India			NIL	
9	Competition Commission of India			NIL	
10	Any other Central / State / Local Government / Statutory Authority			NIL	

Note: PY Figures for the above items are also "Nil"



26. Prepayments includes Rs. 31,012 thousands (PY: Rs. 67,798 thousands) adjustable from the marketing employees based on the performance analysis as per the Terms of their employment.
27. Certain Balances included under Advances and Other Assets are subject to yearend confirmation. However, in the opinion of the management, all the balances are good and recoverable.
28. Security deposit includes Rs. 11,849 thousands (PY 8,229 thousands) being amount deposited by the company with the courts against disputed claims. Pending disposal of the case, in the opinion of the company the said amount is considered good and recoverable.
29. An amount of Rs. 343,186 thousands (PY Rs. 358,438 thousands) being outstanding premiums recoverable towards RSBY Scheme from the Government of Jharkhand is considered good and recoverable.
30. Co-insurers balances are subject to year-end confirmations and consequential reconciliation, if any. The company is initiating efforts to comply with the IRDAI circular IRDA/F&A/CIR/MISC/080/05/2019 dated 20th May, 2019

31. Details of Outsourcing Expenses:

Rs. '000		
Nature of Outsourcing Expenses	31st March 2019	31st March 2018
Manpower Expenses	188,983	148,887
Online & Tele Marketing Expenses	331,440	225,119
Claims Investigation & Related Expenses (included in Sch-2)	15,060	14,673
Other Outsourcing Expenses	-	871
Total	535,484	389,550

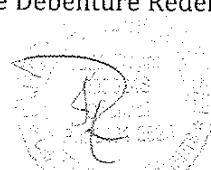
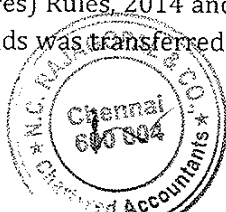
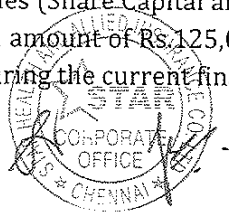
32. Profit related remuneration paid to following directors:

Designation	Name of the Director	Amount in Rs.'000s
Non-Executive Director	Mr.V.P.Nagarajan	1,000
Non-Executive Director	Ms.Justice (Retd) K B K Vasuki	1,000
Independent Director	Mr. D R Kaarthikeyan	1,000
Independent Director	Dr. M Y Khan	1,000
Independent Director	Mr. D C Gupta	1,000

33. Non- Convertible debentures

The Company had issued Non-convertible debentures for Rs. 2,500,000 thousands on private placement basis during the financial year 2017-18 in two tranches of Rs. 200 Crore and Rs.50 Crore at an interest rate of 10.25% and 10.20% respectively redeemable in 7 years.

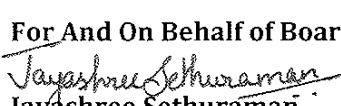
In accordance with the provisions of Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 and IRDAI (Other forms of capital) Regulations, 2015, an amount of Rs.125,000 thousands was transferred to the Debenture Redemption Reserve from profit during the current financial year.



34. Previous Year figures have been reclassified / regrouped, wherever necessary, to confirm to the current year's classification

Particulars	31 st March 2019	31 st March 2018	Amount (Rs. '000)	Reason
	Grouping	Grouping		
UPS and Stabilizers	Schedule 10: Office Equipments	Schedule 10: Computers	56,803	Re-grouped for the purpose of comparison

For And On Behalf of Board of Directors

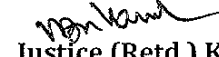

Jayashree Sethuraman
Company Secretary

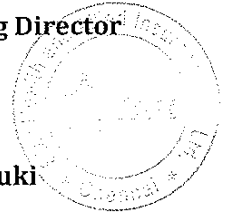

S. Venkataraman
Chief Financial Officer


V. Jagannathan
Chairman Cum Managing Director


Utpal Sheth
Director


Deepak Rameedi
Director


Justice (Retd.) K B K Vasuki
Director

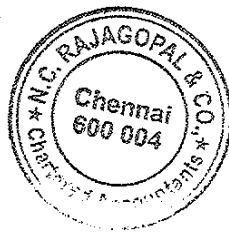


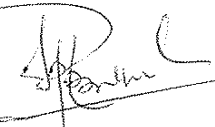
As Per Our Report of Even Date attached

For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S

For Rajagopal & Badri Narayanan
Chartered Accountants
Firm Reg No. 003024S


V. Chandrasekaran
Partner
M.No.24844




P.S. Prabhakar
Partner
M.No.20909



Place : Chennai 600034
Date : 30-05-2019



20. Segment reporting

Annexure 1

The Company's business is organised on a National basis and caters to the non-life insurance business. Accordingly, the Company has provided primary segmental information as per Accounting Standard 17 - 'Segment Reporting' issued by ICAI read with Accounting Regulations.

Segment Revenues are either directly attributed to or, in the case of bundled products, allocated to individual segments. There are no inter segment revenues.

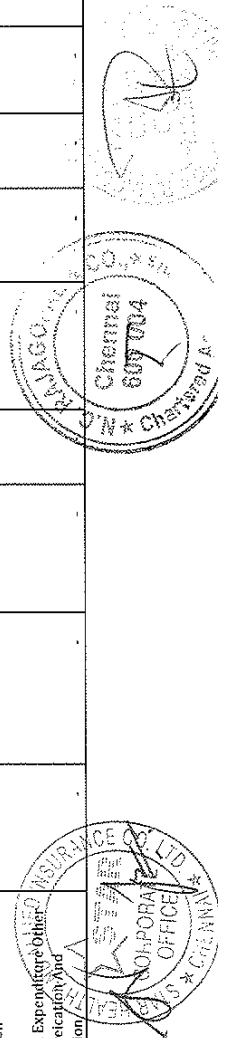
Operating Expenses are attributed to the business segments in line with Accounting Policy 12 in Schedule 16.

Investments, Other Assets and Liabilities are identified with the respective segments in the ratio of Share Holders and Policy Holders Funds as defined in Accounting Policy 9 in Schedule 16.

Since the business operations of the Company are entirely in India, the same is considered as one geographical segment.

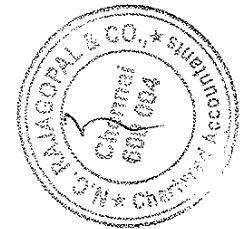
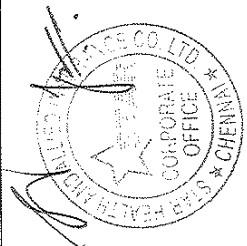
(For The Year Ended 31st March 2019)

Particulars	Fire	Marine Cargo	Marine Hull	Aviation	Motor	Workmen's Compensation / Employers Liability	Public / Product Liability	Engineering	Personal Accident	Health Insurance	Others	Income Credited / Exp Debited to P & L Account	Total
Gross Direct Premium	-	-	-	-	-	-	-	-	1,162,046	52,850,879	-	-	54,012,925
Premium Inward	-	-	-	-	-	-	-	-	831,838	40,455,259	-	-	41,287,097
Net Written Premium	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium Earned (net)	-	-	-	-	-	-	-	-	850,255	35,773,482.71	-	-	36,623,737
Profit on Sale / Redemption of Investments	-	-	-	-	-	-	-	-	104	4,748	-	3,372	8,225
Others - provision for impairment of investments	-	-	-	-	-	-	-	-	(1,238)	(56,287)	-	(39,975)	(97,500)
Interest (Net of Amortisation)	-	-	-	-	-	-	-	-	24,703	1,123,498	-	797,902	1,946,103
Total Segmental Revenue	-	-	-	-	-	-	-	-	873,824	36,845,441	-	761,299	38,480,565
Claims incurred (Net)	-	-	-	-	-	-	-	-	449,745	22,526,150	-	-	22,975,895
Commission Received / (Paid), Net	-	-	-	-	-	-	-	-	102,778	2,466,337	-	-	2,569,115
Operating Expenses Related To Insurance Business	-	-	-	-	-	-	-	-	199,042	9,680,110	-	385,540	10,264,699
Total Segmental Expenses	-	-	-	-	-	-	-	-	751,564	34,672,605	-	385,540	35,809,709
Segmental (Loss)/Profit	-	-	-	-	-	-	-	-	122,260	2,172,837	-	375,760	2,670,856
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Corporate Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision For Income Tax, FRT, Deferred Tax Asset And Wealth Tax, MAT	-	-	-	-	-	-	-	-	-	-	-	836,682	836,682
Add: Reversal of MAT Credit Entitlement of Previous Years	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: MAT Credit Entitlement	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit For The Year	-	-	-	-	-	-	-	-	122,260	2,172,837	-	(460,922)	1,834,174
Segment Assets	-	-	-	-	-	-	-	-	600,755	27,322,857	-	19,404,543	47,328,154
Segment Liabilities	-	-	-	-	-	-	-	-	820,979	26,766,679	-	2,307,977	29,895,635
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization Of Premium And Discount	-	-	-	-	-	-	-	-	960	43,672	-	31,015	75,647
Depreciation	-	-	-	-	-	-	-	-	6,044	274,889	-	-	280,933
Non - Cash Expenditure Other Than Depreciation And Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-

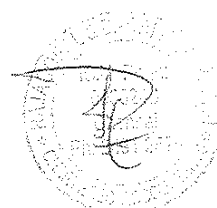
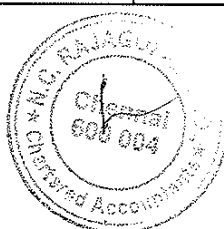
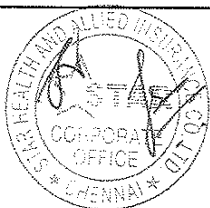


(For The Year Ended 31st March 2018)

Particulars	Fire	Marine Cargo	Marine Hull	Aviation	Motor	Workmen's Compensation / Employers Liability	Public / Product Liability	Engineering	Personal Accident	Health Insurance	Others	Income Credited / Exp Debited to P & L Account	Total
Gross Direct Premium	-	-	-	-	-	-	-	-	1,164,569	40,446,576	-	-	41,611,145
Premium Inward	-	-	-	-	-	-	-	-	868,672	31,091,706	-	-	31,960,378
Net Written Premium	-	-	-	-	-	-	-	-	785,503	26,610,496	-	-	27,396,000
Premium Earned (Net)	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit On Sale / Redemption of Investments	-	-	-	-	-	-	-	-	1,963	68,192	-	46,770	116,926
Others - Sweat Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (Net Of Amortisation)	-	-	-	-	-	-	-	-	22,878	794,562	-	544,960	1,362,399
Total Segmental Revenue	-	-	-	-	-	-	-	-	810,345	27,473,250	-	591,730	28,875,325
Claims incurred (Net)	-	-	-	-	-	-	-	-	384,383	16,535,774	-	-	16,920,157
Commission Received/(Paid), Net	-	-	-	-	-	-	-	-	41,227	1,324,540	-	-	1,365,767
Operating Expenses Related To Insurance Business	-	-	-	-	-	-	-	-	234,111	8,379,343	-	263,911	8,877,365
Total Segmental Expenses	-	-	-	-	-	-	-	-	659,721	26,239,658	-	263,911	27,163,290
Segmental (Loss)/Profit	-	-	-	-	-	-	-	-	150,623	1,233,592	-	327,819	1,712,034
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Corporate Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision For Income Tax, FBT, Deferred Tax Asset and Wealth Tax, MAT	-	-	-	-	-	-	-	-	-	-	-	366,463	366,463
Add: Reversal of MAT Credit Entitlement of Previous Years	-	-	-	-	-	-	-	-	-	-	-	10,487	10,487
Less: MAT credit Entitlement	-	-	-	-	-	-	-	-	-	-	-	(366,463)	(366,463)
Net Profit For The Year	-	-	-	-	-	-	-	-	150,623	1,233,592	-	317,332	1,701,547
Segment Assets	-	-	-	-	-	-	-	-	562,063	19,520,955	-	8,658,862	28,741,880
Segment Liabilities	-	-	-	-	-	-	-	-	678,021	19,357,147	-	1,340,613	21,375,782
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization Of Premium And Discount	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	1,026	35,648	-	24,449	61,124
Non - Cash Expenditure Other Than Depreciation And Amortization	-	-	-	-	-	-	-	-	6,460	224,360	-	-	230,819



Summary of Financial Statements		Rs. in Lakhs				
Sl No	Particulars	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
	OPERATING RESULTS					
1	Gross Premiums Written	540,129	416,111	296,005	200,734	146,919
2	Net Premium Income#	412,871	319,604	228,316	153,975	125,381
3	Income from investments (net)@	11,531	8,876	6,240	6,334	4,200
4	Other income - Transfer fee etc	-	-	-	-	-
5	Total Income	424,401	328,480	234,556	160,308	129,581
6	Commissions (Net)	25,691	13,658	9,529	6,106	10,101
7	Brokerage	-	-	-	-	-
8	Operating Expenses	98,792	86,135	62,535	45,307	45,525
9	Claims, increase in Unexpired Risk Reserve and Other outgoes	276,968	214,845	152,842	84,043	88,694
10	Operating Profit/loss	22,951	13,841	9,650	24,853	(14,739)
	NON OPERATING RESULTS					
11	Total income shareholders' account	8,013	5,917	3,824	1,786	735
12	Expenses charged to Profit and Loss A/c	4,255	2,639	1,680	12,982	-
13	Profit/(loss) before tax	26,709	17,120	11,794	13,658	(14,004)
14	Provision for tax	8,367	105	-	-	-
15	Profit/(loss) after tax	18,342	17,015	11,794	13,658	(14,004)
	MISCELLANEOUS					
16	Policyholders' Account					
	Total funds	178,092	131,124	94,410	90,695	75,799
	Total investments	178,776	129,883	88,566	62,924	51,673
	Yield on investments	7.54%	8.36%	8.68%	8.48%	8.86%
17	Shareholders' Account					
	Total funds	122,005	87,451	57,477	25,098	16,572
	Total investments	124,234	86,589	54,282	17,748	11,297
	Yield on investments	7.54%	8.36%	8.68%	8.48%	8.86%
18	Paid up equity capital	45,558	45,558	45,558	38,699	36,214
19	Net worth	148,051	95,959	78,944	36,010	14,185
20	Total assets	473,282	334,717	221,261	137,211	109,578
21	Yield on total investments	7.54%	8.36%	8.68%	8.48%	8.86%
22	Basic Earnings per share (Rs.)*	3.75	3.73	2.77	3.68	(4.13)
23	Diluted Earnings per share (Rs.)*	3.70	3.73	2.77	3.68	(4.13)
24	Book Value per share (Rs.)	24.81	21.06	17.33	9.31	3.92
25	Total Dividend	-	-	-	-	-
26	Dividend per share (Rs.)	-	-	-	-	-
	# Net of reinsurance					
	@ Net of losses					
	* EPS has been calculated in accordance with AS-20 Basic & Diluted (Face Value Rs.10/- each)					
	Profit / (Loss) for the year	18,342	17,015	11,794	13,658	(14,004)
	Share capital & Reserves	148,051	95,959	78,944	36,010	14,185
	Weighted Average Number of Shares at the end of the year	461,776,973	455,576,106	425,991,214	370,724,596	339,129,785



Ratios for Non-life Insurance Companies

Sl No	Performance Ratio	2018-19	2017-18
1	Gross premium growth rate (segment wise) (Increase in Gross premium for the current year when compared to last year divided by gross premium for the previous year)	Schedule 1	Schedule 1
2	Gross premium to shareholders' fund ratio: (Gross premium for the current year divided by the paid up capital plus free reserves)	364.83%	433.63%
3	Growth rate of shareholders' funds: (Increase in Shareholders' funds as at the current balance sheet date compared to previous year divided by the shareholders' funds at the previous balance sheet date)	54.29%	21.55%
4	Net retention ratio (segment wise) (Net premium divided by gross premium)	Schedule 2	Schedule 2
5	Net commission ratio (segment wise) (Commission net of reinsurance for a class of business divided by net premium)	Schedule 3	Schedule 3
6	Expenses of Management to gross direct premium ratio (Expenses of Management divided by the total gross direct premium)	31.99%	32.91%
7	Expenses of Management to net written premium ratio (Expenses of Management divided by the net written premium)	41.84%	42.85%
8	Net Incurred Claims to Net Earned Premium	62.73%	61.76%
9	Combined ratio: (Net Incurred Claims divided by net earned premium + Expenses of Management divided by Net written premium)	92.91%	93.12%
10	Technical reserves to net premium ratio (Reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims divided by net premium)	58.77%	56.40%
11	Underwriting balance ratio (segment wise) (Underwriting profit divided by net earned premium for the respective class of business)	Schedule 4	Schedule 4
12	Operating profit ratio (Underwriting profit plus investment income divided by net earned premium)	6.42%	5.05%
13	Liquid assets to liabilities ratio (Liquid assets of the insurer divided by the policy holders' liabilities)	37.59%	31.59%
14	Net earnings ratio (Profit after tax divided by net premium)	4.44%	5.32%
15	Return on networth (Profit after tax divided by net worth)	12.39%	17.73%
16	Reinsurance ratio (Risk reinsured divided by gross premium)	23.56%	23.19%




Accounting Ratios - Schedule 1

Gross premium growth rate

Segment	Growth (%)	
	FY 2018-19	FY 2017-18
Fire	-	-
Marine	-	-
Motor	-	-
Workmen's Compensation/ Employers Liability	-	-
Public/Product Liability	-	-
Engineering	-	-
Personal Accident	-0.22%	25.10%
Health Insurance	30.67%	41.08%
Others	-	-
Total	29.80%	40.58%

Accounting Ratios - Schedule 2

Net retention ratio

Segment	% to GP	
	FY 2018-19	FY 2017-18
Fire	-	-
Marine	-	-
Motor	-	-
Workmen's Compensation/ Employers Liability	-	-
Public/Product Liability	-	-
Engineering	-	-
Personal Accident	71.58%	74.59%
Health Insurance	76.55%	76.87%
Others	-	-
Total	76.44%	76.81%

Accounting Ratios - Schedule 3

Net commission ratio

Segment	% to NP	
	FY 2018-19	FY 2017-18
Fire	-	-
Marine	-	-
Motor	-	-
Workmen's Compensation/ Employers Liability	-	-
Public/Product Liability	-	-
Engineering	-	-
Personal Accident	12.36%	4.75%
Health Insurance	6.10%	4.26%
Others	-	-
Total	6.22%	4.27%

Accounting Ratios - Schedule 4

Underwriting balance ratio

Segment	% to NP	
	FY 2018-19	FY 2017-18
Fire	-	-
Marine	-	-
Motor	-	-
Workmen's Compensation/ Employers Liability	-	-
Public/Product Liability	-	-
Engineering	-	-
Personal Accident	10.02%	15.13%
Health Insurance	3.12%	1.42%
Others	-	-
Total	3.28%	1.55%

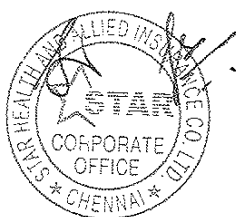
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MANAGEMENT REPORT

In accordance with part IV Schedule B of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002, the following Management Report is submitted:

1. The Company received the Certificate of Registration under the provisions of sub-section (2A) of section 3 of the Insurance Act, 1938 from the Insurance Regulatory and Development Authority of India, to transact the business of general insurance, from 16th March 2006 and continues to be valid. The fee for renewal of the Certificate of Registration has been paid for the year 2018-19.
2. All dues payable to the Statutory Authorities have been duly paid.
3. The shareholding pattern and the transfer of shares during the period ended 31st March 2019 are in accordance with the statutory or regulatory requirements.
4. No funds of the policyholders have been invested directly or indirectly outside India.
5. The Company has maintained the required solvency margins laid down by Insurance Regulatory and Development Authority of India.
6. The values of all the assets have been reviewed on the date of the Balance Sheet and that in our belief the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the headings - "Loans", "Investments", "Interest", "Dividends and Rents accruing but not due", "Outstanding premiums", "Interest, Dividends and Rents outstanding", "Amounts due from other persons or Bodies carrying on insurance business", "Advances", "Cash" and the several items specified under "Other Accounts" except Debt Securities which are shown at amortized cost.
7. Company is exposed to a variety of risks, such as quality of risks underwritten, fluctuations in the value of assets and higher expenses in the initial years of operation etc. The Company monitors these risks closely and takes effective remedial steps to address these risks. The Company, through an appropriate reinsurance programme has kept its risk exposure at a level commensurate with its capacity.
8. The Company does not have operations outside India and therefore does not have any country/currency fluctuation risks.



9. Ageing of claims indicating the trends in average claim settlement during the preceding five years are as follows:

FINANCIAL YEAR	NO. OF DAYS TO SETTLE CLAIMS (DATE OF INTIMATION VS DATE OF SETTLEMENT)	CLAIM SETTLED WITHIN 30 DAYS	CLAIM SETTLED WITHIN 31 TO 90 DAYS	CLAIM SETTLED WITHIN 91 TO 180 DAYS	CLAIM SETTLED WITHIN 181 TO 365 DAYS	CLAIM SETTLED AFTER ONE YEAR
2018-2019	30	32,114	7,406	1,946	1,481	477
2017-2018	30	23,834	4,813	1,570	1,269	132
2016-2017	30	23,841	4,405	865	477	132
2015-2016	30	18,019	4,754	904	375	133
2014-2015	15	20,448	9,102	1,561	431	260
2013-2014	15	16,721	7,544	1,905	712	261

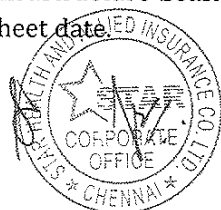
10. Investments in Government Securities and other Debt Securities have been considered as “Held to Maturity (HTM)” and have been measured at historical cost subject to amortization.

The market value of investments in Debt Securities including Government Securities have been ascertained by reference to the quotations published on the last working day of the financial year by FIMMDA. The market value of Debt Securities including Government Securities which were not quoted on the last working day of the Financial year have been ascertained on the basis of prevailing Yield to Maturity provided by FIMMDA. The aggregate market value of investments as per Schedule 8 & 8A annexed to the Balance Sheet stood at Rs. 30,015,226 thousands as at 31st March 2019 as against the book value of Rs 30,301,003 thousands . The investment income, net of amortization including profit on sale of investments was Rs. 1,954,328 thousands for the year ended 31st March 2019. The weighted average yield on all the Fixed Income bearing Investments (Including Profit on sale) was 7.54%.

Market Value of Investment in Property of REIT is not revalued but taken at carrying cost as they were first quoted at NSE subsequent to the year-end i.e. 1st April 2019. Similarly market value of investment in Infrastructure Leasing and Financial Services Ltd is at carrying cost.

11. The Company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. Significant weighing of the assets has been made towards low risk investments such as Government Securities, Treasury bills and other good quality Debt instruments.

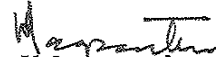
All the investments have been duly serviced and no investment other than investment in Infrastructure Leasing and Financial Services Ltd are non-performing assets as on the Balance Sheet date.



12. Director's Responsibility Statements:

- I. In the preparation of financial statements, the applicable Accounting Standards, principles and policies have been followed along with proper explanations relating to material departures, if any.
 - 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 ended 31st March 2019 and of the Operating Profit of the Company for the financial year ended 31st March 2019 and of the Net Profit of the Company for the financial year ended 31st March 2019.
 - III. The Management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 and Companies Act, 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 put in place an internal audit system commensurate with the size and nature of the business and it is operating efficiently.
13. There are no payments other than those arising in the normal course of the Company's Insurance business, made to individuals, firms, companies and organizations in whom / which the directors of the company are interested.

For And On Behalf Of Management


V. Jagannathan

Chairman cum Managing Director



Utpal Sheth
Director



Deepak Ramineedi
Director



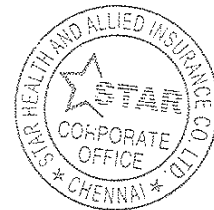
Justice Retd. K B K Vasuki
Director



S. Venkataraman
Chief Financial Officer



Jayashree Sethuraman
Company Secretary



Place : Chennai

Date : 30th May 2019

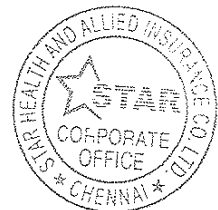
STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED		
Registration No. and Date of Registration with the IRDAI: 129/16.03.2006		
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2019		
PARTICULARS	31st March, 2019 (Rs.'000)	31st March, 2018 (Rs.'000)
Cash flows from operating activities		
Premium received from policyholders, including advance receipts	54,417,519	41,673,970
Other receipts	-	-
Receipts/(Payments) to the re-insurers, net of commissions and claims	(2,135,915)	(2,014,657)
Payments to co-insurers, net of claims recovery	-	-
Payments of claims	(28,248,598)	(21,471,689)
Payments of commission and brokerage	(7,274,120)	(5,033,403)
Payments of other operating expenses	(8,602,221)	(8,183,095)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	(272,269)	(371,329)
Income taxes refund/(paid)	(582,695)	(493,216)
GST paid	462,388	1,467,054
Other payments	-	-
Cash flows before extraordinary items	7,764,091	5,573,635
Cash flow from extraordinary operations	-	-
Net cash flow from operating activities	7,764,091	5,573,635
Cash flows from investing activities		
Purchase of fixed assets	(385,481)	(362,616)
Proceeds from sale of fixed assets	78,133	11
Purchases of investments	(30,355,531)	(28,790,717)
Loans disbursed	-	-
Sales of investments	21,549,959	21,205,438
Repayments received	-	-
Rents/Interests/Dividends received	1,801,141	1,319,481
Investments in money market instruments and in liquid mutual funds (Net)	-	-
Expenses related to investments	(1,562)	(1,271)
Net cash flow from investing activities	(7,313,341)	(6,629,674)
Cash flows from financing activities		
Proceeds from issuance of share capital	3,500,000	-
Proceeds from borrowing	-	2,500,000
Repayments of borrowing	-	-
Interest/dividends paid	(165,578)	(13,750)
Net cash flow from financing activities	3,334,422	2,486,250
Effect of Foreign exchange rates on Cash and Cash Equivalents, net	-	-
Net increase/ (decrease) in cash and cash equivalents:	3,785,173	1,430,211
Cash and Cash equivalents at the beginning of the year	3,716,367	2,286,156
Cash and cash equivalents at the end of the year *	7,501,540	3,716,367
Note * Fixed Deposit of Rs.1,428,700 thousands (Previous year- Rs.1,303,600 thousands) shown under schedule 11 of financial statements considered under investing activities.		

For And On Behalf of Board of Directors

Jayashree Sethuraman
Jayashree Sethuraman
Company Secretary
Utpal Sheth
Utpal Sheth
Director

S. Venkataraman
S. Venkataraman
Chief Financial Officer
R. Deepak
Deepak Ramineedi
Director

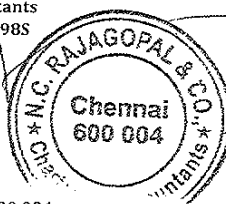
V. Jagannathan
V. Jagannathan
Chairman Cum Managing Director
Justice (Retd.) K B K Vasuki
Justice (Retd.) K B K Vasuki
Director



As Per Our Report of Even Date attached

For N.C.Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S

V. Chandrasekaran
V. Chandrasekaran
Partner
M.No.24844



For Rajagopal & Badri Narayanan
Chartered Accountants
Firm Reg No. 003024S

P.S. Prabhakar
P.S. Prabhakar
Partner
M.No.20909



Place: Chennai - 600 034
Date: 30-05-2019