

carē

HEALTH  
INSURANCE



14<sup>TH</sup>  
**ANNUAL  
REPORT**  
2020-21



Dear Shareholders,

I trust you and your family are safe and healthy!

The unprecedented healthcare crisis created by Covid-19 pandemic in India and the world over has again put the spotlight on the importance of healthcare sector and related services. Your Company is solemnly proud of being a key player in health insurance sector in these trying times and contributing towards wellbeing and healthcare of people in need. While the way the pandemic has adversely affected people at large has been unfortunate, at the same time this has created greater awareness towards subscription & adoption of personal health insurance.

As an organization, your Company has continued to deliver on growth and business performance during the fiscal (FY21); enabled by key pivots of customer-centricity, superior technology, service excellence and prudent underwriting & capital deployment. The retail health segment of your Company grew by a significant 35% (excluding one-time Ayushman Bharat program premium of Rs. 413 crores in FY20). This is notwithstanding the fact that travel insurance business was completely muted for the entire year for obvious reasons. Moreover, Profit After Tax (PAT) grew by 55.7% to Rs. 102.23 crores in FY21, with a healthy Solvency Ratio of 2.45 as on March 31, 2021 – a definitive result of the organization's 'progress-oriented yet focused-on-basics' approach over the years.

A key focus area of your Company is continuous strengthening of distribution footprint and it has made notable progress by fostering new multi-level distribution partnerships as well as through its own branches. Digital mediums are a very crucial mode of communication to all stakeholders and we are pleased to inform you that Care Health Insurance received the Silver Award for Best Search Marketing Campaign at the IMAI 11th India Digital Summit & Awards and was also conferred the Best SEO/SEM Campaign Award at Afaqs DIGIES Digital Awards, 2020.

In FY21, your Company also received significant capital investment from a marquee private equity fund, Kedaara Capital, which invested around Rs. 567 crores in June 2020 in Care Health, bolstering its capital position and this also came as a testament of the superior governance and business model of the Company. Your Company also took a special initiative to build awareness for the Covid-19 vaccination program, under its CSR mandate, through an effective call-to-action film. This was an imperative support to one of the government's most critical programs in combating the pandemic across the country.

Let me take the opportunity to commend each and every employee of the Company for the resilience and responsiveness exhibited by them in assisting customers, colleagues and society at large. I would also like to extend my gratitude to our shareholders and key sponsors of your Company for their support on all aspects including governance and capital.



I express my sincere thanks to all shareholders & stakeholders for supporting the Company in all its efforts.

With best regards,

Dr. Rashmi Saluja  
Non –Executive Chairperson



Dear Shareholders,

I sincerely hope that you and your family are safe and in good health.

This has yet again been a noteworthy year, as despite the environmental upheavals, your Company has posted a growth of 35% in its retail health business (with the excl. of last year's Ayushman Bharat program). Your organization continued to stay the path on all its key operating principles of quality servicing, efficiency-driven technology deployment, customer-first approach and sustainable business growth. Resultantly, your Company's turnover grew from Rs.2,409 cr. in FY 19-20 to Rs.2,588 cr. this fiscal, with due adherence to solvency and sustainability parameters.

'Care' lies at the centre of all that we do for our customers as a Health Insurance Specialist. Therefore, even as we ensure their access to quality healthcare, we continue to broaden the spectrum of overall 'Care' beyond hospitalization, to include preventive health check-ups, wellness, doctor consultations, diagnostics and home care. Since a well-entrenched distribution network & servicing excellence mechanism continues to be the mainstay for achieving growth objectives in our business, your Company remained committed to investing in building new partnerships and further deep-mining existing associations. Alongside, innovative solutions were developed that helped customers evaluate, purchase, on-board and utilize services seamlessly. This fiscal also saw a significant impetus in our digital outreach initiatives that further garnered consumer interest and action; while also being recognized and felicitated at highly acclaimed industry forums.

Our foundational culture of employee-centricity saw its most significant manifestation this past year, when the world and our nation grappled with the pandemic, and we too as an organization found ourselves in midst of its fury. A large number of employees and their families were impacted, by being infected, taking grievously ill and some even succumbing to the disease. Be it for customers, partners or its own employees & their families, the organization collectively stepped up to the plate in ensuring the required care was delivered. However, even in the wake of this dismal situation, the zeal-to-serve among each one of our employees was an embodiment of them being 'true ambassadors of Care'.

In summation, we believe it is the unwavering faith & belief of our customers, partners, employees, board members, shareholders and regulator that will enable us to successfully scale our charted path, milestone after milestone. We would like to thank our regulator, the Insurance Regulatory and Development Authority of India, for being proactive in addressing the needs of consumers and the market, and at the same time supporting the industry by expeditiously approving new products and other positive initiatives. I would also like to specifically convey my sincere gratitude to the Board for their continued support & guidance.

With warm regards,

Anuj Gulati  
Founding Managing Director & CEO



**Care Health Insurance Limited**

*(formerly known as Religare Health Insurance Company Limited)*

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## DIRECTOR'S REPORT

**Dear Members,**

Care Health Insurance Limited (*formerly known as Religare Health Insurance Company Limited*)

Your Directors have the pleasure of presenting the 14<sup>th</sup> Annual Report together with Audited Financial Statements of the Company for the financial year ended March 31, 2021.

### FINANCIAL RESULTS

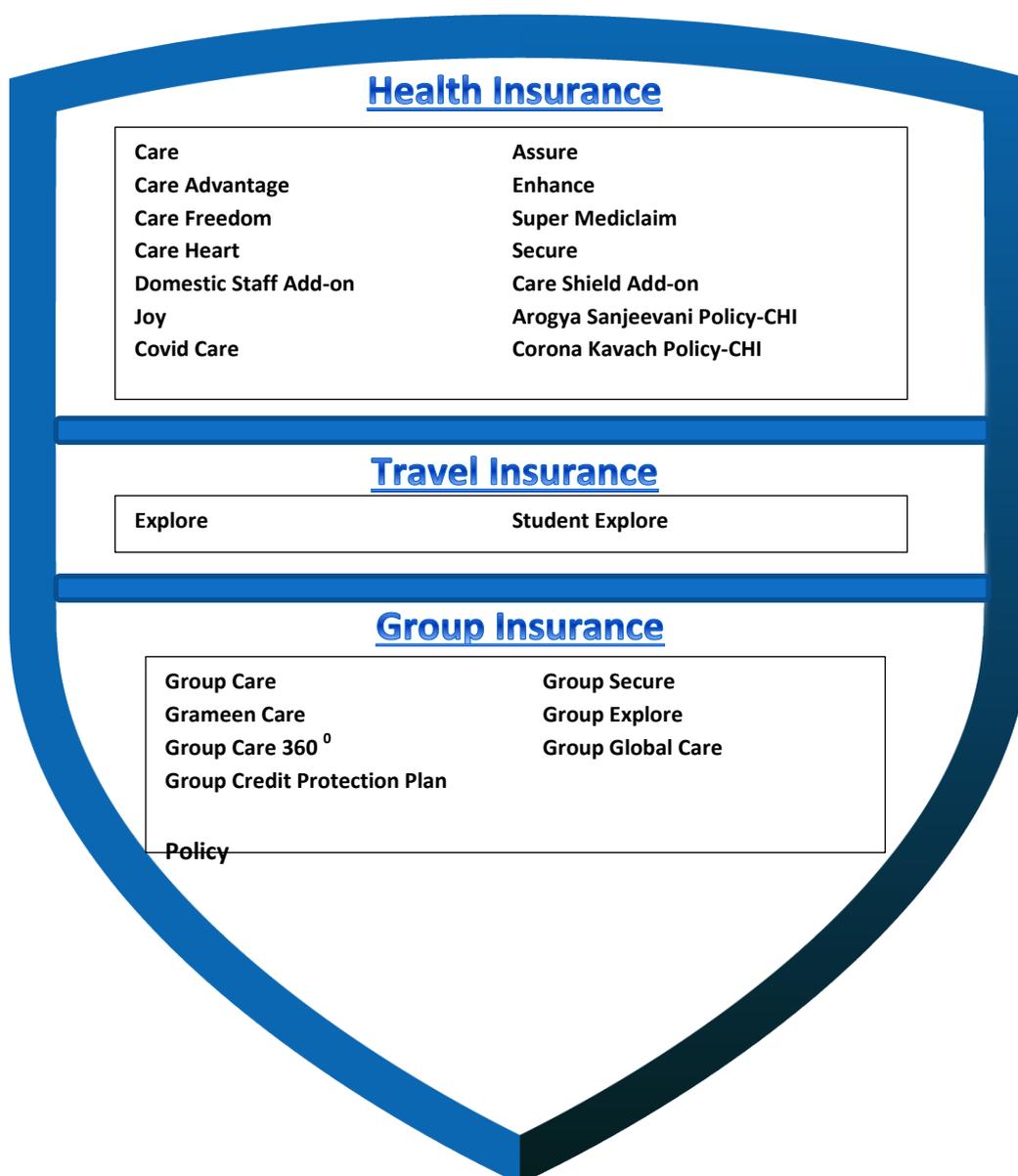


Particulars	(Rs. in Crores)	
	2020-21	2019-2020
Gross Written Premium	2,588.02	2,409.01
Net Written Premium	1,980.83	1,626.02
Net Earned Premium (A)	1,729.47	1,508.45
Net Incurred Claims (B)	953.82	891.94
Net Commission (C)	26.61	(22.17)
Expenses (D)	728.20	667.85
Premium Deficiency (E)	111.42	24.46
Investment & Other Income (F)	166.06	119.52
Profit / (Loss) Before Tax (A-B-C-D-E+F)	75.48	65.89
Provision for tax	15.42	0.24



Deferred tax Credit	42.16	-
Profit / (Loss) After Tax	102.22	65.65

## **INSURANCE PRODUCTS**



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

Products	Description
<b>Retail Health Indemnity Products</b>	
care	A comprehensive Health Insurance plan to meet variant healthcare needs, CARE, has been our flagship product since inception. What makes it popular is the ability to choose your cover from a range of optional benefits, as per your requirements.
care advantage	A Comprehensive Health Insurance that provides higher Sum insured at affordable premium. It caters market, which is price sensitive.
care freedom	A comprehensive Health Insurance Plan for senior citizens and individuals with pre-existing medical conditions. It is offered without pre-policy medical check-ups and there is no loading based on health condition.
care heart	Product specifically designed for someone with a pre-existing heart disease i.e. someone who has undergone a heart surgery in the last 7 years <ul style="list-style-type: none"> <li>▪ Cover without any Pre Medical Tests at any age</li> <li>▪ Patients suffering from specific pre-existing heart conditions.</li> </ul>
super mediclaim	Indemnity Coverage for specific critical illnesses and surgeries at highly affordable premiums (Premium Instalment options) with IPD as well as OPD coverage & lifelong renewability.
JOY	A Maternity Health Insurance product specially designed for young couples who are planning a family. While the focus is on maternity related hospitalization, this product will cover you for any hospitalization during the policy tenure.
enhance	A Super-Top Health Insurance plan for those who aspire for high sum insured at competitive prices. Enhance is most popular among those who already have a health insurance policy of a lower sum insured, and would want to increase their sum insured to address medical emergencies.
<b>Domestic Staff Add-on</b>	Add-on product that offers health coverage to the domestic staff of existing Policyholders of retail Health Products
care shield	Add-on product which offers protection against inflation, NCB reduction and provide coverage of non-payable items in retail policies.
<b>Arogya Sanjeevani Policy-Care Health Insurance</b>	Standard retail indemnity product which is simple, affordable and designed to meet customers' basic Insurance Needs.



HEALTH INSURANCE

<b>Corona Kavach Policy-Care Health Insurance</b>	A standardised short term indemnity health insurance plan designed to safeguard you and your family from COVID-19. Period of coverage ranges from 3 ½ to 9 ½ months.
covid care	Indemnity based health insurance policy specifically designed to safeguard you and your family from COVID-19 related expenses.
<b>Group Health Products</b>	
Group care	With adherence to the belief that human capital is an enterprise's most invaluable asset, Group Care spans an array of treatment modalities – from intensive in-patient care to primary healthcare and from maternity related treatment to organ transplantation. With a bouquet of optional services to choose from and customize, Group Care is a straightforward plan designed to offer comprehensive coverage with maximum convenience.
Group care 360°	A comprehensive offering for groups including employer employee groups as well as affinity groups providing a wide range of benefits on both Fixed Benefit as well as Indemnity basis, while also offering innovative Wellness and Value Added Services.
<b>Group Global Care</b>	A comprehensive Global Insurance product that offers wide range of benefits on Indemnity as well as Fixed Benefit basis to eligible Groups.
Grameen care	A micro-insurance product, which is a comprehensive Group Health Insurance plan to meet rural India's healthcare needs.
<b>Group Credit Protection Product</b>	A highly flexible Group product specially designed for Credit Protection of loan customers with coverage tenure up to 5 years offering fixed benefits like Critical Illness and Personal Accident as well as health indemnity cover.
<b>Group Arogya Sanjeevani policy- Care Health Insurance</b>	Standard group indemnity product which is simple, affordable and designed to meet customers' basic Insurance Needs. This product will be offered to employer-employee and affinity groups.
<b>Travel Products</b>	
explore	A comprehensive International Travel Insurance which covers emergency hospitalization and out-patient treatment, Explore also provides other travel related benefits such as delay/loss of baggage, loss of passport, trip cancellation among others.
student explore	A comprehensive Insurance plan targeted at students studying abroad covering hospitalization as well as out-patient treatment, Student Explore also provides other benefits such as delay/loss of baggage, loss of passport, trip cancellation, study interruption, sponsor protection among others.



HEALTH INSURANCE

Group explorē	This product provides coverage for emergency care of any illness or Injury suffered during overseas travel. Along with the mandatory Benefit - 'Medical Cover' and its optional extensions, Policyholder further has the choice to opt for any of the 38 Optional Benefits.
<b>Fixed Benefit Products</b>	
secureē	A Fixed Benefit product against Accidental Death and Disabilities, Secure offers host of optional benefits like Temporary Total Disability, Common Carrier Mishap, PTD improvement and PPD Improvement etc. This is a prime example of how we have shaped our product around customer needs.
assurē	A Fixed Benefit product which provides coverage against 20 major critical illnesses, the key USP for Assure is Zero Day Survival Period. With a Personal Accident cover to go along with 20 Critical Illnesses, Assure can easily stake claim for the best available product in this category.
Group secureē	A Fixed Benefit product that covers Accidental Death and Disabilities with a customization option.

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

## **BUSINESS PERFORMANCE**

In the financial year ended March 2021, our Gross Domestic Premium Income (GDPI) rose to Rs. 2,559.75 Crores from Rs. 1,975.97 Crores, (excluding Ayushman Bharat) registering a growth of 29.5 % over financial year 19-20 . Including Ayushman Bharat, these figures were Rs. 2,559.75 Crores, Rs. 2,388.99 Crores and 7.1% respectively.

Our Profit After Tax (PAT) for the year increased to Rs. 102.23 Crores, registering a growth of 55.7 %. Solvency ratio was at 2.45, one of the highest in the industry and significantly above the minimum regulatory requirement of 1.50x. The combined ratio as on March 31, 2021 is 93%. The Networth of the Company at the end of financial year March 31, 2021 is Rs. 1,037.16 Crores. The Company has launched a few new products, namely, Care Advantage, Arogya Sanjeevani, Corona Kavach, Covid Care, Group Care 360, Care Shield Add- on, Explore V2. During the last year 4 new branches were opened. There are around 9,904 permanent employees in the Company. The agent strength, which is back bone of our distribution, has increased from 1,32,474 to 1,69,183 as compared to last financial year.

## **FUTURE OUTLOOK**



Due to COVID-19 pandemic, the awareness level for health insurance has increased which is also reflected in the industry growth. We expect the growth level will continue which have been seen in recent past. In order to achieve growth objectives, your Company plans to focus on increasing its distribution footprint through various Channels such as Agency, Banks, Brokers, Digital, Online etc. and shall emphasize distribution in all these channels through digital properties.

## INVESTMENTS



Your Company has made Investments in compliance with IRDAI Investment Regulations and total Asset under management as on 31st March, 2021 stands at Rs. 2,636.71 Crores excluding fair value change account. Further, the total investment portfolio of Rs. 2,636.71 Crores has been bifurcated between Shareholders portfolio of Rs. 911.82 Crores and Policyholders portfolio of Rs. 1,724.89

Crores. The return generated in Shareholder portfolio was 6.80% and in Policyholder portfolio return was 7.28%. Overall 32.19% of the portfolio has been invested in Sovereign securities. The MTM as on March 31, 2021 was Rs. 72.32 crores. Further, 98.42% of the portfolio is rated AAA and A1+.

## TRANSFER TO RESERVES



Your Company had not transferred any amount towards the reserves and surplus during the financial year 2020-2021. However, the Company has created a reserve for employee stock option expenses amounting to Rs. 11.16 Crores during the financial year 2020-21 and have transferred Rs. 17.85 crores to Securities Premium against the exercise of shares.

### **Premium Deficiency Reserve (PDR)**

The SARS-CoV-2 virus is responsible for COVID-19, which has been declared a Global pandemic by the World Health Organization in 2020. Various countries have observed multiple phases of pandemic, with virus mutating variant. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements and as at the date of approval of these financial statements. The company expects to recover the carrying amount of all its assets including investments in its ordinary course of business. In accordance with IRDAI Assets Liability and Solvency Margin Regulations, 2016, Premium Deficiency Reserve (PDR) is to be maintained at insurer level, while the Company needs to calculate PDR at segmental level, however, considering that the COVID-19 is still quite prevalent in the country. Although second phase has passed on but still country is witnessing

significantly higher number of cases on daily basis. Additionally, there have been studies and discussions on possible third wave later this year. Appointed Actuary has advised to maintain the PDR of Rs. 135.88 Crores, which is also in line with the Company's accounting policy on Premium Deficiency Reserve (PDR).

### SHARE CAPITAL



The authorized share capital of your Company as on March 31, 2021 is Rs. 1300,00,00,000 (Rupees Thirteen Hundred Crores only) divided into 130,00,00,000 equity shares (One Hundred and Thirty Crores only) of Rs. 10/- each (Rupees Ten only).

During the financial year 2020-21, your Company has raised Rs. 3,37,59,22,464.20 (Rupees three hundred and thirty seven crore fifty nine lakh twenty two thousand four hundred and sixty four *decimal* twenty paise) (including premium of Rs. 2,24,49,91,194.20) by allotting: 7,98,67,980 (seven crore ninety eight lakh sixty seven thousand nine hundred and eighty) Equity Shares of Rs. 10 each on preferential allotment/ private placement basis to M/s Trishikhar Ventures LLP and a few other shareholders at a premium of Rs. 27.89/- per equity share; and 3,32,25,147 (three crore thirty two lakh twenty five thousand one hundred and forty seven) Equity Shares of face value of Rs. 10/- each to ESOP Holder pursuant the exercise of ESOP options the CEO Employee Stock options scheme and Employee Stock Option Scheme.

The paid up equity share capital of your Company as on March 31, 2021 is Rs. 8,41,04,21,960 (Rupees eight hundred and forty one crore four lakh twenty one thousand nine hundred and sixty Only) divided into 84,10,42,196 (eighty four crore ten lakh forty two thousand one hundred and ninety six only) equity shares of Rs. 10 each (Rupees Ten each only). The Share premium amount in Share premium account as on March 31, 2021 is Rs. 24,362,96,918 (Rupees two forty three crore sixty two lakh ninety six thousand nine hundred and eighteen Only)



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### **ISSUE OF SWEAT EQUITY SHARES**

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

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

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

### **DIVIDEND**

Your Company was able to earn a profit after tax of Rs. 102.23 Crores in FY 2020-21. However, the Company has an accumulate losses of Rs. 93.33 Crores as on March 31, 2021 and in accordance to Section 123 of the Companies Act, 2013, the Company cannot distribute dividend unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of the Company for the current year.

The Company is in the growing phase and requires funds for expansion to maintain the minimum prescribed solvency margin.

Considering above Company is not proposing any dividend for the financial year 2020-21.

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

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

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## STATEMENT ON THE AFFAIRS OF THE COMPANY



- Section 3A of the Insurance Act, 1938 has been amended by the Insurance Laws (Amendment) Act, 2015 to remove the process of annual renewal of the Certificate of Registration issued to Insurers under Section 3 of the Insurance Act, 1938. However, it has been stated that Insurers shall continue to pay such annual fee as may be prescribed by the Regulations. Insurance Regulatory Development Authority of India (“IRDAI”) in line with the above amendment issued a general circular stating that Certificate of Registration of the Insurers renewed in 2014, expiring in March 2015, shall continue to be in force from April 1, 2015 subject to payment of renewal fee. Your Company had paid the renewal fee.
- During its ninth year and eighth full fiscal year of operations, your Company has continued to focus on developing its personnel and management strength, customer-led processes, scalable infrastructure, technology enhancement and distribution capabilities.
- With a bouquet of multiple products across retail and group categories, your Company has products for each segment such as health, personal accident, critical illness, travel, excess of loss and maternity. Your Company has been servicing across country with network of 158 branches.
- During financial year 2020-21, your Company has under-written premium of Rs. 2,588.02 Crores.
- Your Company has tied up with more than 16,000 healthcare network providers to facilitate cashless services to its customers.
- All retail hospitalisation claims are managed by in-house Claims team except for the travel insurance where the claim is managed through Assistant Service Provider.

- Since the geographical spread of Group policies is vast and also due to customer preference, your Company has tied up with Third Party Administrators to service claims registered against few selective Group policies.

### **CHANGE IN THE NATURE OF BUSINESS**

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

### **SUBSIDIARIES/JOINT VENTURES/ASSOCIATES**

The Company does not have any subsidiary/ Joint Venture/ Associate Company during the Financial Year 2020-21.

### **DETAILS OF REVISION OF FINANCIAL STATEMENT OR REPORT**

Neither during FY 2020-21 nor in any of the three preceding financial years, the Company has revised its Financial Statement or reports either voluntarily or pursuant to the order of a judicial authority

### **DIRECTORS**



The composition of the Board of Directors of your Company is in conformity with the requirements of Corporate Governance Guidelines issued by IRDAI and the Companies Act, 2013. As on March 31, 2021, the Board of Directors of the Company consists of 9 Directors comprising of a Managing Director & CEO, 3 Non-Executive Directors, and 5 Non Executive Independent Directors as follows:

<b>Board Composition</b>		
<b>S.No.</b>	<b>Members</b>	<b>Designation</b>
1	Dr. Rashmi Saluja	Non-Executive Chairperson
2	Mrs. Asha Nair	Non-Executive Independent Director
3	Mr. Kartikeya Dhruv Kaji	Non-Executive Director
4	Mr. Malay Kumar Sinha	Non-Executive Independent Director
5	Mr. S. L. Mohan	Non-Executive Independent Director
6	Lt. Gen. (Retd.) S. S. Mehta	Non-Executive Independent Director
7	Mr. Siddharth Dinesh Mehta	Non-Executive Director
8	Mr. Sushil Chandra Tripathi*	Non-Executive Independent Director
9	Mr. Anuj Gulati	Managing Director & CEO

\* Mr. Sushil Chandra Tripathi passed away on May 19, 2021

During the year, Dr. Rashmi Saluja was designated as a Non-Executive Chairperson of the Company w.e.f. April 24, 2020.

Further, during the year, Mr. Anuj Gulati was re-appointed as the Managing Director & CEO of the Company for the period from April 26, 2020 to April 25, 2025, post receipt of approval from IRDAI vide its letter dated March 24, 2020. The re-appointment was approved by the Board in its meeting held on February 05, 2020 and was subsequently approved by the shareholders in the Extra ordinary General meeting held on March 13, 2020.

Further, during the year, Mr. Kartikeya Dhruv Kaji was appointed as an Additional Non-Executive Director on the Board of the Company and its various Committees w.e.f. June 02, 2020. The appointment of Mr. Kartikeya Dhruv Kaji was regularised as Non-Executive Director of the Company as per the provisions of the Companies Act, 2013, in the Extra ordinary General Meeting held on May 21, 2020. The Company had received requisite declarations and disclosures under the Companies Act, 2013 and IRDAI Corporate Governance Guidelines from Mr. Kartikeya Dhruv Kaji.

Also, Mr. Sushil Chandra Tripathi was appointed as a member in Policyholder's Protection Committee, Risk Management Committee, Investment Committee, Audit Committee, Allotment Committee and Corporate Social Responsibility ('CSR') Committee of the Board w.e.f. June 12, 2020; Mr. Siddharth Dinesh Mehta and Mr. Malay Kumar Sinha were appointed as members of Corporate Social Responsibility (CSR) Committee of the Board w.e.f. June 12, 2020.



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During the year, Mr. Sushil Chandra Tripathi who was appointed as an Additional Non-Executive Independent Director on the Board of the Company on March 18, 2020, and Dr. Rashmi Saluja who was appointed as an Additional Non-Executive Independent Director on the Board of the Company on September 18, 2019 were regularized as Non-Executive Independent Director and Non-Executive Chairperson respectively as per the provisions of the Companies Act, 2013, in the last Annual General Meeting held on September 25, 2020. The Company had received requisite declarations and disclosures under the Companies Act, 2013 and IRDAI Corporate Governance Guidelines from Mr. Sushil Chandra Tripathi and Dr. Rashmi Saluja.

Also, the members in the last Annual General Meeting of the Company held on September 25, 2020, approved the appointment of Mr. Siddharth Dinesh Mehta and Mr. Vijay Kumar Uppal as directors of the Company liable to retire by rotation. The Company had received requisite declarations and disclosures under the Companies Act, 2013 and IRDAI Corporate Governance Guidelines from both of them.

Furthermore, Mr. Vijay Kumar Uppal, bank nominee director, resigned from the Board and Investment Committee following his superannuation from Union Bank of India on December 31, 2020.

Further, the Company had also received requisite declaration by the Independent Directors of the Company in accordance to Section 149(7) of the Companies Act, 2013 including the declaration relating to registration with Independent Director's Databank.

The Company had received declaration from the Independent Directors that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company had also received all the requisite disclosures and declarations from the directors as required under the Companies Act, 2013 and IRDAI Corporate Governance Guidelines.

### **COMMITTEES OF THE BOARD**

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



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

**MEETINGS OF THE BOARD AND ITS COMMITTEES**



Details of the composition, qualification, field of specialization, status of directorships, meetings held during the financial year 2020-21 and the attendance at each meeting of the Board and its Committees are as under:

### **BOARD OF DIRECTORS**

During the financial year 2020-21, your Company held Five (5) Board Meetings i.e. on April 24, 2020, June 18, 2020, August 14, 2020, November 03, 2020 and February 03, 2021. The brief details are as under:

<b>S.No.</b>	<b>Name of the Director</b>	<b>Qualification</b>	<b>Field of specialization</b>	<b>Category</b>	<b>No. of meetings attended</b>
1	Dr. Rashmi Saluja	MBBS, MD & MBA (Finance)	Doctor Entrepreneur and Academician	Non-Executive Chairperson	5
2	Mrs. Asha Nair	Economic (Hons), Masters in Social Work, Fellow member of Insurance Institute of India	Insurance Sector	Non-Executive Independent Director	5
3	Mr. Kartikeya Dhruv Kaji*	MBA from The Wharton School of the University of Pennsylvania, Bachelor of Arts in Economics from Dartmouth College, member of the Mumbai chapter of the Entrepreneurs' Organization	Business Management	Non-Executive Director	4
4	Mr. Malay Kumar Sinha	B.A. (Hons) ,M.A. in Humanities and M. Phil in strategic studies	Retired IPS	Non-Executive Independent Director	5
5	Mr. Sham Lal Mohan	B.Sc. Mechanical Engg. and AIII (General), Insurance Institute of India, Mumbai	Insurance Sector	Non-Executive Independent Director	5
6	Lt. Gen. (Retd.) S. S. Mehta	M. Sc. (Defence Studies)	Defence	Non-Executive Independent Director	5
7	Mr. Siddharth Dinesh Mehta	Bachelor's degree in Business	Business Management	Non-Executive	4

		Management and Finance from King's College, University of London.		Director	
8	Mr. Sushil Chandra Tripathi#	MSc (Phy-First class first),LLB,PG Dip in Development (Cantab),AIMA Dip in Management	Retired IAS	Non-Executive Independent Director	5
9	Mr. Vijay Kumar Uppal**	B Com (Hons)	Banking services	Bank Nominee Director	4
10	Mr. Anuj Gulati	B. Tech, IIT Delhi, PGDBM, IIM Bangalore	Insurance Sector	Managing Director & CEO	5

\* appointed on the Board of Directors w.e.f June 02, 2020

\*\*Resignation due to superannuation from Union Bank of India on December 31, 2020

#Mr. Sushil Chandra Tripathi passed away on May 19, 2021

## **AUDIT COMMITTEE**

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

Mr. S C Tripathi is the Chairperson of Audit Committee. During the financial year 20-21, the Committee held four (4) meetings i.e. on-June 18, 2020, August 13, 2020, November 02, 2020 and February 03, 2021. The details of attendees are as under:

<b>Sr. No.</b>	<b>Name of the member</b>	<b>No. of meetings attended</b>
1	Mr. S C Tripathi*	4
2	Mrs. Asha Nair	4
3	Mr. Kartikeya Dhruv Kaji**	4
4	Mr. Malay Kumar Sinha	4
5	Dr. Rashmi Saluja	4
6	Mr. S. L. Mohan	4
7	Lt. Gen. (Retd.) S S Mehta	4
8	Mr. Siddharth Dinesh Mehta	2

\*Appointed as a member of the Committee w.e.f. June 12, 2020; further passed away on May 19, 2021.

\*\*Appointed as a member of the Committee w.e.f. June 02, 2020

## **INVESTMENT COMMITTEE**

The Investment Committee has been functioning in accordance with Corporate Governance Guidelines issued by IRDAI, The Committee's role is to manage the investment out of the policyholders' funds, laying down overall investment policy and operational framework for investment operations of the Company. During the financial year 20-21, the Committee held four (4) meetings i.e. on June 18, 2020, August 14, 2020, November 03, 2020 and February 03, 2021. The details of attendees are as under:

<b>Sr. No.</b>	<b>Name of the member</b>	<b>No. of meetings attended</b>
1	Dr. Rashmi Saluja	4
2	Mr. Kartikeya Dhruv Kaji*	4
3	Mr. Malay Kumar Sinha	4
4	Mr. Sham Lal Mohan	4
5	Lt. Gen. (Retd.) S. S. Mehta	4
6	Mr. Siddharth Dinesh Mehta	2
7	Mr. S C Tripathi**	4
8	Mr. Vijay Kumar Uppal***	2
9	Mr. Anuj Gulati	4
10	Mr. Pankaj Gupta	4
11	Mr. Manish Dodeja	4
12	Mr. Nitin Katyal	4
13	Mr. Irvinder Singh Kohli	4

\* Appointed as a member of the Committee w.e.f. June 02, 2020

\*\* Appointed as a member of the Committee w.e.f. June 12, 2020; further passed away on May 19, 2021

\*\*\*resigned due to superannuation from Union Bank of India on December 31, 2020

## **RISK MANAGEMENT COMMITTEE**

The Risk Management Committee has been functioning in accordance with Corporate Governance Guidelines issued by IRDAI, wherein its major role is to assist the Board in effective operation of the risk management system. During the financial year 20-21, the Committee held four (4) meetings i.e. June 18, 2020, August 13, 2020, November 02, 2020 and February 03, 2021. The details of attendees are as under:

<b>Sr. No.</b>	<b>Name of the member</b>	<b>No. of meetings attended</b>
1	Dr. Rashmi Saluja	4
2	Mr. Kartikeya Dhruv Kaji*	4
3	Mr. Malay Kumar Sinha	4
4	Mr. S. L. Mohan	4
5	Mr. Siddharth Dinesh Mehta	1
6	Mr. S C Tripathi**	4
7	Mr. Anuj Gulati	4

*\*Appointed as a member of the Committee w.e.f. June 02, 2020*

*\*\*Appointed as a member of the Committee w.e.f. June 12, 2020; further passed away on May 19, 2021.*

### **POLICYHOLDERS PROTECTION COMMITTEE**

The Policyholders Protection Committee has been functioning in accordance with Corporate Governance Guidelines issued by IRDAI. The major role of the Committee is to put in place the proper procedures and effective mechanism to address complaints and grievance of policyholders. During the financial year 20-21, the Committee held four (4) meetings i.e. on June 18, 2020, August 14, 2020, November 03, 2020 and February 03, 2021. The details of attendees are as under:

<b>Sr. No.</b>	<b>Name of the member</b>	<b>No. of meetings attended</b>
1	Dr. Rashmi Saluja	4
2	Mrs. Asha Nair	4
3	Mr. Kartikeya Dhruv Kaji*	4
4	Mr. Malay Kumar Sinha	4
5	Lt. Gen. (Retd.) S. S. Mehta	4
6	Mr. Siddharth Dinesh Mehta	1
7	Mr. S C Tripathi**	4
8	Mr. Anuj Gulati	4
9	Mr. S. L. Mohan (Expert Representative)	4

*\*Appointed as a member of the Committee w.e.f. June 02, 2020*

*\*\*Appointed as a member of the Committee w.e.f. June 12, 2020; further, passed away on May 19, 2021*

### **NOMINATION & REMUNERATION COMMITTEE**

Nomination and Remuneration Committee has been functioning pursuant to the Companies Act, 2013 and Corporate Governance Guidelines issued by IRDAI. One of its major roles is to determine the remuneration and compensation packages for the CEO and approve the compensation philosophy for employees of the Company.

Mr. Malay Kumar Sinha is the Chairperson of the Committee. During the financial year 20-21, the Committee held four (4) meetings i.e. on April 24, 2020, June 18, 2020, August 14, 2020, and February 03, 2021. The details of attendees are as under:

<b>Sr. No.</b>	<b>Name of the member</b>	<b>No. of meetings attended</b>
1	Mr. Malay Kumar Sinha	4
2	Dr. Rashmi Saluja	4
3	Mr. Kartikeya Dhruv Kaji*	3
4	Mr. S. L. Mohan	4
5	Lt. Gen. (Retd.) S.S. Mehta	4
6	Mr. Siddharth Dinesh Mehta**	1

*\*Appointed as a member of the Committee w.e.f. June 02, 2020*

*\*\*Stepped down from the Committee w.e.f. June 02, 2020*

### ALLOTMENT COMMITTEE

The major role of the Committee is to assist the Board in the allotment of shares. During the financial year 20-21, the Committee held three (3) meetings i.e. on August 14, 2020, November 03, 2020 and February 03, 2021. The details of attendees are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Dr. Rashmi Saluja	3
2	Mr. Kartikeya Dhruv Kaji*	3
3	Mr. Malay Kumar Sinha	3
4	Mr. S. L. Mohan	3
5	Mr. Siddharth Dinesh Mehta	1
6	Mr. S C Tripathi**	3
7	Mr. Anuj Gulati	3

\*Appointed as a member of the Committee w.e.f. June 02, 2020

\*\*Appointed as a member of the Committee w.e.f. June 12, 2020; further passed away on May 19, 2021

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The major role of the Committee is to overview the CSR activities of the Company which shall focus on promoting consumer awareness and protection, eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare, ensuring environment sustainability and ecological balance, supporting skill development and generation of employment, promoting education across the continuum- primary, secondary and tertiary especially among children, women, elderly and the differently-abled.

During the financial year 20-21, the Committee held two (2) meetings i.e. on August 14, 2020, and February 03, 2021. The details of attendees are as under:

Sr. No.	Name of the member	No. of meetings attended
1	Dr. Rashmi Saluja	2
2	Mr. Kartikeya Dhruv Kaji*	2
3	Mr. Malay Kumar Sinha**	2
4	Lt. Gen. (Retd.) S. S. Mehta	2
5	Mr. Siddharth Dinesh Mehta**	1
6	Mr. S C Tripathi**	2
7	Mr. Anuj Gulati	2

\*Appointed as a member of the Committee w.e.f. June 02, 2020

\*\*Appointed as a member of the Committee w.e.f. June 12, 2020; further passed away on May 19, 2021

### **INITIAL PUBLIC OFFERING (IPO) COMMITTEE**

The major role of the IPO Committee is preparation of the Company's IPO, including selecting and working with underwriters and counsel and preparing & reviewing a registration statement. Also, the Committee shall act in accordance with the Companies Act, 2013 and SEBI (ICDR) Regulations, 2018, other applicable laws, if any and in line with various Agreements executed between various shareholders. During the financial year 20-21, no meeting of the Committee was held. The members of the Committee are as follows:

<b>Sr. No.</b>	<b>Name of the member</b>
1	Dr. Rashmi Saluja
2	Mr. Kartikeya Dhruv Kaji
3	Mr. Malay Kumar Sinha
4	Mr. Siddharth Dinesh Mehta
5	Mr. Anuj Gulati

Apart from the above mentioned Committee meetings, there was also an Independent Director's Meeting held on June 18, 2020 in accordance to the Schedule IV of the Companies Act, 2013.

### **KEY MANAGERIAL PERSONNEL (KMP)**



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

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

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

\*appointed as Appointed Actuary w.e.f. April 28, 2017



## DEPOSITS

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



## LOANS AND INVESTMENT

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

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**DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

There is no loan in the books of the Company. Hence the aforesaid clause is not applicable to the Company.

**RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING LOANS BY IT FOR PURCHASE OF ITS SHARES.**



The Company had not provided Loans to any person to purchase or subscribe for fully paid up shares in the Company or its holding Company.

**RELATED PARTY TRANSACTIONS**



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

**CORPORATE SOCIAL RESPONSIBILITY**



The Corporate Social Responsibility Policy of the Company as approved by the Board has been made in accordance to the Corporate Governance Guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI) along with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014.

The Company's CSR activities focus on promoting consumer awareness and protection, eradicating hunger, poverty and malnutrition, promoting healthcare including preventive

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healthcare, ensuring environment sustainability and ecological balance, supporting skill development and generation of employment, promoting education across the continuum-primary, secondary and tertiary especially among children, women, elderly and the differently-abled.

During the Financial year, your Company has spent Rs. 71.10 Lakhs (including GST) on COVID vaccination awareness programme through TV media. The detailed CSR Policy of the Company is available on the website of the Company and can be accessed through the link provided below:

[https://cms.careinsurance.com/cms/public/uploads/uploads/other\\_disclosure/CSRPOLICY\\_1586761680.pdf](https://cms.careinsurance.com/cms/public/uploads/uploads/other_disclosure/CSRPOLICY_1586761680.pdf)

Also, Annual Report on CSR Activities is enclosed herewith as **Annexure - A**

### **DIRECTOR'S APPOINTMENT POLICY AND POLICY ON REMUNERATION OF DIRECTORS**

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

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

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

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

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

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

The NRC will conduct a review of director compensation on a periodic basis to ensure directors of the Company are compensated effectively in a manner consistent with the strategy of the Company, and to further ensure that the Company will be able to attract, retain and reward those who contribute to the success of the Company.

The Board and Committee(s) members in its meeting held on June 14 and June 15, 2021 evaluated the Board and the Committee(s). Also, in the Board Meeting, the Peer Evaluation was done on June 15, 2021.

### **VIGIL MECHANISM ESTABLISHED BY THE COMPANY**



The Board of Directors in its meeting held on October 31, 2014 adopted the Whistle Blower Policy of the Company. The Chairperson of the Audit Committee is Ombudsman of the Company. The said policy was reviewed from time to time.

Objective of the Policy:

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

The Company had not received any case during FY 2020-21.

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



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

is a summary of sexual harassment complaints received and disposed of during the year 2020-21.

a) No. of complaints received: 1

b) No. of complaints disposed off: 1

### EMPLOYEES STOCK OPTION SCHEME



The details of the Employees Stock Option Scheme of the Company are as under for the financial year ended March 31, 2021.

PARTICULARS*	DETAILS
Options granted	4,12,66,366- options granted during the financial year 2020-21
Options vested	2,35,89,623-options vested during 2020-21
Options exercised	3,32,25,147
The total no. of shares arising as a result of exercise of option	3,32,25,147
Options lapsed	2,27,612
The exercise price	Rs. 10/- , Rs. 21.85 & Rs. 34.31
Variation of terms of options	There has been no variation in the financial year 2020-21.
Money realized by exercise of options**	33,22,51,470
Total no. of options in force	10,12,81,423
Employee wise details of options granted:	

(i) Key Managerial Personnel	
Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year	----
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital( excluding outstanding warrants and conversions) of the company at the time of grant.	CEO

\* ESOPs issued in FY 2020-21

\*\*excluding premium

### AUDITORS



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

The Company in its Annual General Meeting held on August 26, 2017 had approved the appointment of M/s T. R. Chadha & Co. LLP and M/s S. P. Chopra & Co. for a period of five years and further in Annual General Meeting held on September 25, 2020 had ratified the re-appointment of M/s T. R. Chadha & Co. LLP and M/s S. P. Chopra & Co. as Joint Statutory Auditors of the Company for the FY 2020-21 who have confirmed their eligibility and willingness to accept the office of the Statutory Auditors.

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

### FRAUDS REPORTED BY THE AUDITOR

No material fraud was reported by the Auditors of the Company during the financial year 2020-21.

### AUDITORS' REPORT



The observations of the Auditors in their report read together with the Notes on Accounts are self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation. Also, no material fraud was reported by the Auditors of the Company during the Financial year 2020-21.

### SECRETARIAL AUDIT



Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed PI & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Report of the Secretarial Audit Report is enclosed as **Annexure C**.

### INTERNAL CONTROLS



Your Company has adequate system of Internal control in place.

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

## RISK MANAGEMENT



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

## AWARDS, CERTIFICATES AND RECOGNISATION

During the financial year 2020-21, your Company has been awarded with the following Awards:

- Silver Award for Best Search Marketing Campaign at IAMA 11<sup>th</sup> India Digital Summit & Awards
- Best SEO/SEM Campaign at Afaqs DIGIES Digital Awards, 2020.

Further, your Company has an overall ranking of “8<sup>th</sup>” in the Health Insurance Segment as on March 31, 2021. Your Company has adopted Business Continuity Management Systems based on ISO 22301:2012 which specifies the requirements for a **Business Continuity Management System(BCMS)** in order to demonstrate its ability to protect against, reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise and provide uninterrupted products and services that meet customer and applicable statutory and regulatory requirements,

The scope of your Company for BCMS includes the following offices:

- Corporate Office located at 3rd Floor, Vipul Tech Square, Golf Course Rd., Sector 43, Gurgaon - 122009,
- Call Center located at A-90, Sector 2, Noida – 201301
- Correspondence Office located at Unit no 604 - 607, 6th Floor, Tower C, Unitech Cyber Park, Gurgaon – 122001

With this your Company was able to understand and prioritize the threats to the business with the international standard for business continuity. ISO 22301 specifies the requirements for a management system to protect against, reduce the likelihood of, and ensure your business recovers from disruptive incidents.

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

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

- a) In the preparation of the annual accounts for the year ending March 31, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

## **ANNUAL RETURN**

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

[https://cms.careinsurance.com/cms/public/uploads/uploads/other\\_disclosure/Annual\\_1618810706.pdf](https://cms.careinsurance.com/cms/public/uploads/uploads/other_disclosure/Annual_1618810706.pdf)

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

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**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**



There has been no order passed by any Regulator, Court or Tribunal against the Company which can impact its going concern status and Company's operation in future.



**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

Your Company is not engaged in manufacturing activities and, therefore, the particulars as required under the Companies Act, 2013 regarding Conservation of Energy, Research and Development and Technology Absorption are not applicable.



**FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earned in terms of actual inflows during the year 2020-21 is Rs. 21.20 Crores and the Foreign Exchange outgo in terms of actual outflows during the year 2020-21 is Rs. 20.32 Crores.

## **FORMAL ANNUAL EVALUATION**



The Board of Directors in its meeting held on January 23, 2015 and further in its meeting held on November 03, 2020 had adopted the Board Evaluation policy in accordance with Sections 134, 178 and Schedule IV of the Companies Act, 2013 (“Act”) read with applicable Regulations under the Act. The Salient feature of the Policy is as follows:

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

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

### **Performance Evaluation of the Committees and Board as a whole**

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

### **Performance Evaluation of Individual Directors**

- The Board and NRC carried out performance evaluation of individual directors through peer evaluation of each Board member during the Annual Board Meeting itself. The Chairman of the Board initiated the evaluation process where each Board member evaluated each of their colleagues on the Board.
- During the Annual Board Meeting, each Board member was given an evaluation form to rate each of their colleagues on the Board. The Board members do not have to disclose his/her name on the evaluation form.

- Once all the evaluation forms were placed in designated envelopes, each Board member had the opportunity to go through their own peer evaluation scores during the meeting itself.

The Board members and Committee members evaluated the Board and the Committee respectively and also evaluated the peer directors in the meeting of Board and its Committees held on June 14 and June 15, 2021.

### **PARTICULARS OF EMPLOYEES**



The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company has been attached as **Annexure D**.

Further with regard to remuneration of KMPs in accordance to the IRDAI Corporate Governance Guidelines, the remuneration was discussed by the Nomination & Remuneration Committee. The consolidated remuneration paid to KMPs defined as per IRDAI Corporate Governance Guidelines is Rs. 19,25,11,268 /-

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

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

### **APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

No application was made neither any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 for the FY 2020-2021

### **CERTIFICATION UNDER IRDAI CORPORATE GOVERNANCE GUIDELINES**

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

Accordingly, a Certificate for compliance of the Corporate Governance Guidelines is enclosed as **Annexure E**.



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### ACKNOWLEDGEMENT

The Board wishes to place on record its sincere appreciation for the continued assistance, support and co-operation extended to your Company by the Shareholders, Insurance Regulatory and Development Authority of India, the Auditors of your Company, Banks, other Government Authorities, Distribution Partners and Employees during the year under review and look forward to their continued support in the future.

**By order of the Board of Directors  
For Care Health Insurance Limited**

**Dr. Rashmi Saluja  
Chairperson**

**Place: Gurugram  
Dated: June 15, 2021**

**Format for the Annual Report on CSR Activities to be Included in the Board's Report For Financial Year Commencing on or After 1st Day of April, 2020**

**1. Brief outline on CSR Policy of the Company.**

The Corporate Social Responsibility Policy of the Company has been approved by the Board vide circular resolution dated February 05, 2020 in accordance to the Corporate Governance Guidelines dated May 18, 2016 issued by the Insurance Regulatory and Development Authority of India (IRDAI) along with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014.

In light of the aforesaid guidelines and in compliance with Section 135 of the Companies Act, 2013, the Company has formed a CSR Committee. The Company's CSR activities as defined under the said Policy focus activities under Schedule VII such as promoting consumer awareness and protection, eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare, ensuring environment sustainability and ecological balance, supporting skill development and generation of employment, promoting education across the continuum- primary, secondary and tertiary especially among children, women, elderly and the differently-abled.

During the Financial year 2020-21, the Company has spent expenditure towards a TV media campaign on spreading awareness on COVID 19 vaccination of about Rs. 71.10 lakhs including GST (which fulfils the criteria of CSR spending of at least 2% of the average net profits of the company made during the three immediately preceding financial years) under the CSR activity for financial year 2020-2021 in accordance to the CSR policy.

**2. Composition of CSR Committee:**

Pursuant to Guidelines for Corporate Governance for insurers in India dated May 18, 2016 and any other amendment(s) thereof, Section 135 of the Companies Act, 2013, read with Rule 5 of the Companies (Corporate Social Responsibility) Rules, 2014 as applicable and any other applicable provisions of the Companies Act, 2013 read with Rules thereunder and amendments thereof (including any statutory modifications or re-enactment thereof, for the time being in force), the Board of Directors of the Company accorded its approval to constitute a CSR Committee of the Company with the following members:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Rashmi Saluja	Non-Executive Chairperson	2	2
2	Mr. Sushil Chandra Tripathi	Non-Executive Independent Director	2	2
3	Mr. Malay Kumar Sinha	Non-Executive Independent Director	2	2
4	Mr. Siddharth Dinesh Mehta	Non-Executive Director	2	1
5	Lt. Gen. (Retd.) Shamsher Singh Mehta	Non-Executive Independent Director	2	2
6	Mr. Kartikeya Dhruv Kaji	Non-Executive Director	2	2
7	Mr. Anuj Gulati	Managing Director & CEO	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

[https://cms.careinsurance.com/cms/public/uploads/uploads/other\\_disclosure/CSRPOLICY\\_1586761680.pdf](https://cms.careinsurance.com/cms/public/uploads/uploads/other_disclosure/CSRPOLICY_1586761680.pdf)

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).- Not applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	NIL		
2			
3			
	<b>Total</b>		

6. Average net profit of the company as per section 135(5).

S.no	Financial Year	Net Profit (Before Tax) (in rupees Cr.)
1	2017-18	(16.25)
2	2018-19	56.92
3	2019-20	65.89
<b>Total</b>		106.56
Avg. Net Profit (before tax) for Preceding three Financial Years		35.52
CSR Expenditure required (2% of Average Profit)		.7104

7. (a) Two percent of average net profit of the company as per section 135(5)- Rs. 71.04 lakhs (including GST)

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.- NIL

(c) Amount required to be set off for the financial year, if any- NIL

(d) Total CSR obligation for the financial year (7a+7b-7c)- Rs. 71.04 lakhs (including GST)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)- NIL				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
RS. 71.10	NA	NA	NA	NA	NA

lakhs (including GST)					
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(b) Details of CSR amount spent against ongoing projects for the financial year: N/A

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
2.												
3.												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number.
1.	Covid vaccination awareness programme	i. Eradicating hunger, poverty and malnutrition, promoting health care including	NA, it is A	TV media	awariness	programme	NA		

	preventive health care] and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.							
	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.							
	<b>Total</b>							

(d) Amount spent in Administrative Overheads:

(e) Amount spent on Impact Assessment, if applicable- NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 71.10 Lakhs

(g) Excess amount for set off, if any: Rs. 0.06 Lakhs

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 71.04 lakhs
(ii)	Total amount spent for the Financial Year	Rs. 71.10 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 0.06 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 0.06 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years: NA

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							
2.							
3.							
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):-NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.

									<b>Rs).</b>
1									
2									
3									
	Total								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

**(asset-wise details).**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

<p>Anuj Gulati (Managing Director &amp; CEO)</p>	<p>Dr. Rashmi Saluja (Chairman CSR Committee)</p>
--	---

**CARE HEALTH INSURANCE LIMITED**

(Formerly known as Religare Health Insurance Company Limited)



**Policy on Director's Appointment  
(CHIL/POL/125/011)**

Prepared by:  
Head - Payroll & HR  
Operations  
Signature:

Reviewed by:  
Head – Human  
Resources  
Signature:

Approved by:  
Board of Directors  
  
Signature:

---

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**Care Health Insurance Limited**  
**(Formerly known as Religare Health Insurance Company Limited)**

Doc. No.:  
CHIL/POL/125/011

Initial Issue Date:  
28.07.2014

Revision:  
03

Revision Date:  
03.11.2020

Page 1 of 3

**Title: Policy on Director's Appointment**

## 1.0 PREAMBLE

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

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

## 2.0 PURPOSE

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

## 3.0 DEFINITIONS

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

**"Board"** means Board of Directors of the Company

**"Policy"** means Director's Appointment Policy.

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

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

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

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

**"Company"** means Care Health Insurance Limited



**Care Health Insurance Limited**  
**(Formerly known as Religare Health Insurance Company Limited)**

Doc. No.:  
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03.11.2020

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**Title: Policy on Director's Appointment**

## **4.0 POLICY**

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



**Care Health Insurance Limited**  
**(Formerly known as Religare Health Insurance Company Limited)**

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**Title: Policy on Director's Appointment**

**4.9.** The NRC shall also ensure that the proposed appointments / reappointments of Directors are in conformity with the Board approved policy on retirement / superannuation.

## **5.0 EFFECTIVE DATE OF POLICY**

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

## **6.0 AMENDMENT HISTORY:**

<b>Version No.</b>	<b>Description</b>	<b>Date</b>	<b>Prepared By</b>	<b>Reviewed By</b>	<b>Approved By</b>
<b>1.1</b>	Director's Appointment and Remuneration Policy	28 <sup>th</sup> Jul 14	Varidhi Gosain	Gaurav Bakshi	Board of Directors
<b>1.2</b>	Reinstated	26 <sup>th</sup> Jul 16	Amit Mishra	Sanjeev Meghani	Board of Directors
<b>1.3</b>	a. Director's Appointment & Remuneration Policy has been segregated into separate policies. b. Content Change - Clauses around scrutiny of applicants etc.	24 <sup>th</sup> Oct 16	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
<b>1.4</b>	Reinstated	07 <sup>th</sup> Nov 17	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
<b>1.5</b>	Reinstated	02 <sup>th</sup> Nov 18	Amit Gupta	Sanjeev Meghani	Board of Directors
<b>2</b>	Reinstated. Also ISO format has been revised	30 <sup>th</sup> Jan 20	Amit Gupta	Sanjeev Meghani	Board of Directors
<b>3</b>	Organization Name Change	03 <sup>rd</sup> Nov 20	Amit Gupta	Sanjeev Meghani	Board of Directors

**CARE HEALTH INSURANCE LIMITED**  
(Formerly known as Religare Health Insurance Company Limited)



**Policy on Remuneration of Directors**  
(CHIL/POL/125/009)

Prepared by:  
Head - Payroll & HR  
Operations  
Signature:

Reviewed by:  
Head – Human  
Resources  
Signature:

Approved by:  
Board of Directors  
Signature:

---

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Doc. No.:  
CHIL/POL/125/009

Initial Issue Date:  
24.10.2016

Revision:  
03

Revision Date:  
03.11.2020

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Title: **Policy on Remuneration of Directors**

## 1.0 INTRODUCTION

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

## 2.0 OBJECTIVES

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

## 3.0 DEFINITIONS

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

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

“**Board**” means Board of Directors of the Company

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

“**Company**” means Care Health Insurance Limited

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

“**Total Pay**” means fixed pay plus variable pay

“**Authority**” is Insurance Regulatory Development Authority of India



**Care Health Insurance Limited**  
**(Formerly known as Religare Health Insurance Company Limited)**

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Title: **Policy on Remuneration of Directors**

## 4.0 POLICY GUIDELINES FOR CEO / MD / WTD

### 4.1. GENERAL

- The remuneration / compensation / commission etc. to CEO / MD / WTD will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval
- No revision in remuneration shall be permitted till the expiry of one year from the date of earlier approval by the Authority
- In case the annual remuneration exceeds Rs. 1.5 crore (including all perquisites plus bonuses etc.), such excess shall be borne by the Shareholder's account
- No remuneration shall be paid to CEO / MD / WTD by any of the promoter / investor or by any group companies of the promoters' / investors' companies
- Other than accrued benefits (gratuity, pension etc.) severance pay shall not include any other payments without prior approval of the Board. Severance pay shall not include notice period pay.

### 4.2. REMUNERATION COMPOSITION & GUIDELINES

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



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Title: **Policy on Remuneration of Directors**

**IV. ESOP:** For the purpose of this policy and based on IRDAI guidelines referenced in the above mentioned circular no., ESOP will not be considered as part of total remuneration. For CEO, ESOP shall continue to be separately governed by CEO Stock Option Scheme – 2014.

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

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

**4.3. CLAWBACK**

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

**4.4. RECOMMENDATION FOR REMUNERATION REVISION**

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

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

**5.0 POLICY GUIDELINES FOR NON- EXECUTIVE DIRECTORS**

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



**Care Health Insurance Limited**  
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Title: **Policy on Remuneration of Directors**

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

## **6.0 POLICY GUIDELINES FOR INDEPENDENT DIRECTORS**

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

## **7.0 POLICY REVIEW**

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

## **8.0 AMENDMENTS**

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

## **9.0 Effective Date of the Policy**

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



**Care Health Insurance Limited**  
**(Formerly known as Religare Health Insurance Company Limited)**

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03.11.2020

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Title: **Policy on Remuneration of Directors**

**10.0 AMENDMENT HISTORY:**

Version No.	Description	Date	Prepared By	Reviewed By	Approved By
1	Policy on Remuneration of Directors	24 <sup>th</sup> Oct16	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
1.2	Reinstated	07 <sup>th</sup> Nov17	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
1.3	Reinstated	02 <sup>th</sup> Nov18	Amit Gupta	Sanjeev Meghani	Board of Directors
2	Reinstated. Also ISO format has been revised.	05 <sup>th</sup> Feb 20	Amit Gupta	Sanjeev Meghani	Board of Directors
3	Organization Name Change	03 <sup>rd</sup> Nov 20	Amit Gupta	Sanjeev Meghani	Board of Directors

**CARE HEALTH INSURANCE LIMITED**

(Formerly known as Religare Health Insurance Company Limited)



**KMP's Appointment and Remuneration Policy  
(CHIL/POL/125/008)**

Prepared by:  
Head - Payroll & HR  
Operations  
Signature:

Reviewed by:  
Head – Human  
Resources  
Signature:

Approved by:  
Board of Directors  
Signature:

---

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Doc. No.:  
CHIL/POL/125/008

Initial Issue Date:  
28.07.2014

Revision:  
03

Revision Date:  
03.11.2020

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**Title: KMP's Appointment and Remuneration Policy**

## 1.0 PREAMBLE

The Board of Directors (the “Board”) of Care Health Insurance Limited (the “Company” or “CHIL”), has adopted the following policy and procedures with regard to appointment and remuneration of Key Managerial Personnel’s (“KMP”) as defined below. The Nomination and Remuneration Committee will review and may amend this policy from time to time. This policy will be applicable to the Company. This policy is to regulate the appointment and remuneration of KMP’s based on the laws and regulations applicable on the Company.

## 2.0 PURPOSE

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

## 3.0 DEFINITIONS

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

**“Board”** means Board of Directors of the Company

**“HR Head”** means person heading the Human Resource Department of the Company

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

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



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**Title: KMP's Appointment and Remuneration Policy**

**“Policy”** means KMP's Appointment and Remuneration Policy

**“Company”** means Care Health Insurance Limited

**“CEO”** means the Chief Executive Officer of the Company

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

#### **4.0 POLICY**

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



**Care Health Insurance Limited**  
**(Formerly known as Religare Health Insurance Company Limited)**

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**Title: KMP's Appointment and Remuneration Policy**

Director/Whole-time Director shall be governed under another Policy named as Policy on Remuneration of Directors.

**5.0 EFFECTIVE DATE OF POLICY**

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

**6.0 AMENDMENT HISTORY:**

Version No.	Description	Date	Prepared By	Reviewed By	Approved By
1.1	KMP's Appointment and Remuneration Policy	28 <sup>th</sup> July 14	Varidhi Gosain	Gaurav Bakshi	Board of Directors
1.2	Reinstated	26 <sup>th</sup> July16	Amit Mishra	Sanjeev Meghani	Board of Directors
1.3	a. Categories have been added to the definition of KMP as per IRDA guidelines b. Content Change – Process for approval of KMP, Closure timeline of KMP vacancy etc.	24 <sup>th</sup> Oct16	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
1.4	Change in KMP list – Irvinder name has been added against Appointed Actuary	07 <sup>th</sup> Nov 17	Abhimanyu Sodhi	Sanjeev Meghani	Board of Directors
1.5	Reinstated	02 <sup>th</sup> Nov 18	Amit Gupta	Sanjeev Meghani	Board of Directors
2	Reinstated. Also ISO format has been revised.	05 <sup>th</sup> Feb 20	Amit Gupta	Sanjeev Meghani	Board of Directors
3	Organization Name Change	03 <sup>rd</sup> Nov 20	Amit Gupta	Sanjeev Meghani	Board of Directors

FORM NO. MR - 3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

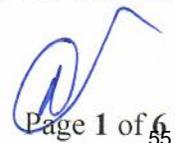
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Care Health Insurance Limited  
(Formerly known as Religare Health Insurance Company Limited)  
(U66000DL2007PLC161503)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Care Health Insurance Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. This Company is governed mainly under the provisions of the Insurance Act, 1938 and the Insurance Regulatory and Development Authority Act, 1999 ('Insurance Laws') and under the Companies Act, 2013 and rules framed thereunder where there is no inconsistency with the Insurance Laws.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and as applicable to the Company, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2021 as mentioned in *Annexure-A and Annexure-B*, according to the provisions of:



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CORPORATE OFFICE

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (*Not applicable to the Company during the audit period*)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (*Not applicable to the Company during the audit period*)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (*Not applicable*)
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (*Not applicable*)
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*Not applicable*)
  - h. The Securities and Exchange Board of India (Buy - back of Securities) Regulations, 2018; (*Not applicable*)
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Not applicable*)
- (vi) And the Company being in the business of Insurance other than Life Insurance, the Special Act as applicable to it is the Insurance Act, 1938 and extant Rules & Regulation framed under Insurance Regulatory and Development Authority Act, 1999 (IRDA).



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s), if applicable;  
(Not applicable)

We further report that:

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and IRDA Regulations incl. Corporate Governance guidelines.
- II. Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- III. Majority decision were carried through and there were no instances where any director expressing any dissenting views.

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

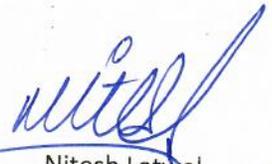
We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

- I. That the Company has altered its Articles of Association in accordance with the conditions contained in the Share Subscription and Share Purchase Agreement entered into between M/s. Kedaara Capital Fund II LLP (Investment Parent), M/s Trishikar Ventures LLP (Investors) (Jointly referred as "Kedaara"), M/s. Religare Enterprises Limited and the Company dated 06<sup>th</sup> February, 2020.

  
Page 3 of 6<sub>57</sub>

- II. The Company issued and allotted 791,76,564 equity shares of the Company, of face value of Rs. 10 each, on preferential allotment/private placement basis at a price of Rs. 37.89/- per equity share (including premium of Rs. 27.89) aggregating to Rs. 300,00,00,009.9 to M/s. Trishikhar Ventures LLP.
- III. That the Company also issued and allotted 6,91,416 Equity Shares of the Company of face value of Rs. 10 each, on preferential allotment/private placement basis at a price of Rs. 37.89/- per equity share (including premium of Rs. 27.89) aggregating to Rs. 2,61,97,752.24 to certain Investors.
- IV. That the Company allotted 1,66,33,239 equity shares of face value of Rs. 10 each at a price of Rs. 10 each amounting to Rs. 16,63,32,390/- to Mr. Anuj Gulati, Managing Director & CEO of the Company pursuant to ESOP options exercised by CEO under Religare Health Insurance CEO Stock Option Scheme 2014.

For PI & Associates  
Company Secretaries



Nitesh Latwal

Partner

ACS No.: 32109

C P No.: 16276

UDIN: A032109C000698467

Date: June 15, 2021

Place: New Delhi

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

**Under Companies Act, 2013: -**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended March 31, 2020.
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination & Remuneration Committee, along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year ended March 31, 2021 under report.
5. Statutory Registers as per Companies Act 2013.
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 149(6) & (7), Section 164 and Section 184 of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
9. Various Policies framed by the Company required under the Companies Act, 2013 viz. Nomination and Remuneration Policy, Corporate Social Responsibility Policy, Board Evaluation Policy etc.
10. Documents pertaining to Appointment, Resignation of Directors and KMP and approvals received from IRDAI.
11. Other relevant documents as required to be maintained and published on website by the Company.

**Under Insurance Act, 1938 and Insurance Regulatory and Development Authority of India Act (IRDAI) 1999:**

1. Minutes of Investment Committee, Policyholders Protection Committee, Risk Management Committee required as per IRDAI Corporate Governance Guidelines along with Attendance Register, held during the financial year under report.
2. Deed of Covenants at the time of appointment.
3. Declaration and undertakings from Directors.
4. Compliance / Correspondence with IRDAI i.e. Monthly, Quarterly, Half yearly, Annually etc.
5. Documents pertaining to Appointment of Directors and KMP and approvals received from IRDAI.

**Limitations**

*It is to be noted that due to Covid-19 situation in the Country and in compliance of the Covid-19 norms issued by the Government of India and State Governments from time to time, the Firm had carried out the audit virtually and the documents, registers, forms, etc. were made available to us by the company through electronic medium. Further, wherever possible we have also taken confirmations from the company but the audit, as conducted, is subject to limitation of availability of documents due to continuous restrictions imposed by governments.*



To,  
The Members,  
Care Health Insurance Limited

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

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

For PI & Associates,  
Company Secretaries



Nitesh Lalwani  
Partner

ACS No.: 32109

C P No.: 16276

UDIN: A032109C000698467

Date: June 15, 2021  
Place: New Delhi

## CARE HEALTH INSURANCE COMPANY LIMITED

Particulars of employees as per the the Companies Act, 2013 and prescribed rules for the year ended 31.03.2021

S. No.	Name	Age	Designation	Gross Remuneration	Qualification	Experience	Date of Employment	Last Employment	% equity held
1	Anuj Gulati	47	Managing Director & CEO	6,96,10,943	MBA	23+ yrs	02-Nov-09	ICICI Lombard General Insurance Co Ltd	2.253%
2	Ajay Shah	49	Chief Marketing Officer	2,58,03,100	Chartered Accountant	27+ yrs	18-Apr-11	ICICI Lombard General Insurance Co Ltd	0.004%
3	Pankaj Gupta	47	Chief Financial Officer	2,25,08,804	Chartered Accountant	22+ yrs	17-Apr-06	Evolvence India	0.135%
4	Chandrakant Mishra	56	Head:- Institutional Business	1,37,57,185	Post graduate in Economics	31+ yrs	11-Aug-12	Cholamandalam MS General Insurance	0.027%
5	Manish Dodeja	43	Chief Risk Officer	1,28,00,879	Chartered Accountant	14+ yrs	29-Jan-10	ICICI Lombard General Insurance Co Ltd	0.012%
6	Kolla Suresh	45	Head -IT	1,16,21,475	MBA	19+ yrs	19-Jan-10	ICICI Lombard General Insurance Co Ltd	0.019%
7	Irvinder Singh Kohli	48	Appointed Actuary	1,12,68,194	Fellow Actuary	14+ yrs	08-Aug-16	AXA Business Services	0.027%
8	Sachin Maheshwari	45	Business Head- Digital & Business Development	1,08,89,696	MBA	19+ yrs	18-Aug-10	ICICI Lombard General Insurance Co Ltd	0.116%
9	Sharmil Shantilal Modi	49	Business Head - Agency	1,08,14,883	DMM	18+ yrs	11-Jun-12	Birla Sunlife Insurance	0.128%
10	Sanjeev Meghani	44	Head- Human Resources	1,06,28,474	MBA	21+ yrs	10-Feb-11	Max New York Life Insurance	0.047%

**Notes:**

1. Persons named above are the top ten employees in terms of remuneration drawn and the name of every employee whose aggregate remuneration during the year was not less than Rs. One Crore and two lakh per annum.

2. details of the employees who were employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which in aggregate, was not less than eight lakh and fifty thousand rupees per month

3. if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

4) Remuneration includes salary, allowances, leave encashment, bonus, leave travel, concession, reimbursement of medical expenses to employees and employer's, contribution to Provident Fund. In addition, the employees are entitled to gratuity/group insurance in accordance with Company's Rules.

5) Remuneration mentioned above is inclusive of retirement/ separation benefits paid during the year.

6) None of the Employees are related to any Director of the Company except Mr. Anuj Gulati who is Managing Director & CEO of the Company.

7) All the above mentioned employees are permanent in nature.

By Order of the Board of Directors

**For Care Health Insurance Limited**  
**Dr. Rashmi Saluja**  
**Chairperson**



June 15, 2021

**“Certification for compliance of the Corporate Governance Guidelines”**

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

**Pratik Kapoor**  
**Company Secretary**

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

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

**INDEPENDENT AUDITORS' REPORT**

**To The Members of Care Health Insurance Limited**  
(Formerly Known as Religare Health Insurance Company Limited)

**Opinion**

We have audited the accompanying financial statements of **Care Health Insurance Limited** (Formerly Known as Religare Health Insurance Company Limited) ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account for the year ended 31<sup>st</sup> March, 2021 and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the financial statements").

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

- a. in the case of the Balance Sheet, of the State of affairs of the Company as at 31<sup>st</sup> March, 2021;
- b. in the case of the Revenue Account, of its Surplus for the year ended on that date;
- c. in the case of the Profit and Loss Account, of its Profit for the year ended on that date; and
- d. in the case of the Receipts and Payments Account, of its Receipts and Payments for the year ended on that date.

**Basis for Opinion**

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



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

### **Other Matter**

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

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

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

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

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

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

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

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

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



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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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



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

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

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

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

1. As the Company is not covered by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, no report is given on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by the paragraph 2 of Schedule C to the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, read with Section 143 (3) of the Companies Act, 2013, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit and found them to be satisfactory;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. As the Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches and other offices of the Company as required under Section 143(8) of the Act;
  - d. The Balance Sheet, the Revenue Account, the Profit & Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account;



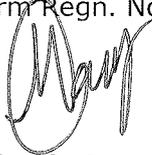
- e. In our opinion, the Investments have been valued in accordance with the provisions of the Insurance Act 1938, as amended by the Insurance Laws (Amendment) Act, 2015, Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and orders / directions issued by IRDAI in this regard;
- f. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with applicable rules to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders / directions issued by IRDAI in this regard;
- g. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a Director in terms of Section 164 (2) of the Companies Act, 2013.
- h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- i. Since the Company is an IRDAI regulated entity, therefore, the provisions of Section 197(16) of the Companies Act, 2013 w.r.t. managerial remuneration are not applicable. The remuneration (including bonus) paid/ payable by the Company to the Managing Director and CEO is in accordance with the requirement of Section 34A of the Insurance Act, 1938.
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 1 of Notes to accounts to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. We have issued a separate certificate in "**Annexure B**" of even date on the matters specified in paragraph 4 of Schedule C to the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 issued by IRDAI.



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

- a. We have reviewed the Management Report attached to the financial statements for the year ended 31<sup>st</sup> March, 2021 and have found no apparent mistake or material inconsistencies with the financial statements; and
- b. Based on information and explanations received during the normal course of our audit, management representations and compliance certificates submitted to the Board by the officers of the Company charged with the compliance and the same being noted by the Board, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration stipulated by IRDAI.

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



**Hitesh Garg**  
Partner  
M. No. 502955  
UDIN: *21502955AAAA012200*



Place: New Delhi  
Date : 15.06.2021

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



**Pawan K. Gupta**  
Partner  
M. No. 092529  
UDIN:

Place: New Delhi  
Date : 15.06.2021

UDIN: 21092529AAAA.R.P.S.651

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

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

We have audited the internal financial controls over financial reporting of **Care Health Insurance Limited** (Formerly Known as Religare Health Insurance Company Limited) ("the Company") as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, including the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act 2015, Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the orders/directions and circulars issued by the Insurance Regulatory and Development Authority of India (IRDAI) in this regard to the extent applicable.

**Auditors' Responsibility**

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



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matter**



The estimate of claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER) and Premium Deficiency Reserve (PDR) have been certified by the Company's Appointed Actuary and have been relied upon by us as mentioned in 'Other Matter' Paragraph of our Audit Report on the financial statements for the year ended 31<sup>th</sup> March, 2021. Accordingly, our opinion on the internal financial controls with reference to the financial statements does not include reporting on the adequacy and operating effectiveness of the internal controls over the quantum and accuracy of the aforesaid liabilities.

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



**Hitesh Garg**  
Partner  
M. No. 502955



Place: New Delhi  
Date: 15.06.2021

UDIN: 21502955AAAA DL2200

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



**Sawan K. Gupta**  
Partner  
M. No. 092529

Place: New Delhi  
Date: 15.06.2021

**Annexure 'B', as referred to in paragraph 3 of 'Report on other Legal and Regulatory Requirements' Section to the Independent Auditor's Report of even date on the Financial Statements of Care Health Insurance Limited (Formerly Known as Religare Health Insurance Company Limited)**

**Independent Auditors' Certificate**

This certificate is issued to comply with the provisions of paragraph 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "Regulations") read with regulation 3 of the Regulations.

**Management's Responsibility**

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act 2015) (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (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**

Pursuant to the requirements, it is our responsibility to obtain reasonable assurance and form an opinion based on our audit and examination of books and records as to whether the Company has complied with the matters contained in paragraph 4 of Schedule C of the Regulations read with regulation 3 of Regulations.

We audited the financial statements of the Company as of and for the financial year ended 31st March, 2021 on which we issued an unmodified audit opinion vide our report dated 14<sup>th</sup> June, 2021. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').



The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

## Opinion

In accordance with 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 the Company for the year ended 31<sup>st</sup> March, 2021, we certify that:

1. We have verified the cash balances maintained by the Company, to the extent considered necessary. As regards the securities relating to the Company's investments as at 31<sup>st</sup> March, 2021, the same have been verified on the basis of the dematerialized statement / confirmations received from the custodian;
2. The Company is not a trustee of any trust; and
3. No part of the assets of the policyholders' funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015, relating to the application and investments of the policyholders' funds.

## Restriction to use

This certificate is addressed to and provided to the Board of Directors of the Company, solely for inclusion in the annual accounts of the Company as per the Regulations and should not be used by any other person or for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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

  
**Hitesh Garg**  
Partner  
M. No. 502955



Place: New Delhi  
Date: 15.06.2021

UDIN: 21502955AAAA DL2206

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



  
**Pawan K. Gupta**  
Partner  
M. No. 092529

Place: New Delhi  
Date: 15.06.2021

# Care Health Insurance Limited

(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012



FORM B-RA

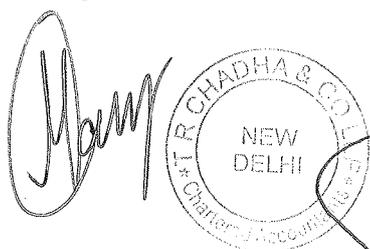
## MISCELLANEOUS BUSINESS REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2021

S. No	Particulars	Schedule	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
			(₹ '000)	(₹ '000)
1	Premiums earned (Net)	1	17,294,695	15,084,507
2	Profit/ loss on sale/redemption of investments		19,827	45,751
3	Others			
	- Contribution from the Shareholders' Account towards Excess EoM*		2,402,144	2,058,894
4	Interest, dividend & rent – Gross		1,039,661	921,570
	<b>TOTAL (A)</b>		<b>20,756,327</b>	<b>18,110,722</b>
1	Claims incurred (Net)	2	9,538,163	8,919,448
2	Commission	3	266,087	(221,701)
3	Operating expenses related to Insurance business	4	7,210,418	6,606,359
4	Premium deficiency		1,114,220	244,562
	<b>TOTAL (B)</b>		<b>18,128,888</b>	<b>15,548,668</b>
	<b>Operating profit/(loss) from Miscellaneous business C= (A - B)</b>		<b>2,627,439</b>	<b>2,562,054</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' account		2,627,439	2,562,054
	Transfer to catastrophe reserve		-	-
	Transfer to other reserves		-	-
	<b>TOTAL (C)</b>		<b>2,627,439</b>	<b>2,562,054</b>
	<b>Significant Accounting Policies and Notes to Accounts</b>	16		

\* Expense in excess of the limit allowed as per regulation on expenses of management charged to shareholder's account (Refer note 25)

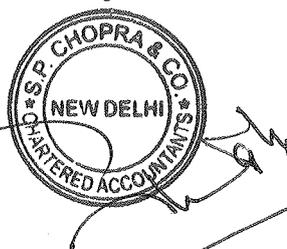
The schedules referred to above form an integral part of the Financial Statements.

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



Hitesh Garg  
Partner  
Membership No. :502955

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



Pawan K Gupta  
Partner  
Membership No. : 092529

For and on behalf of Board of Directors

Dr. Rashmi Saluja  
Non-Executive Chairperson  
(DIN 01715298)

Anuj Gulati  
Managing Director & CEO  
(DIN 00278955)

Shamsheer Singh Mehta  
Non-Executive  
Independent Director  
(DIN 02201929)

Pankaj Gupta  
Chief Financial Officer

Place: Gurugram  
Date: 15<sup>th</sup> June, 2021

Pratik Kapoor  
Company Secretary

Ambrish Jindal  
Head-Finance & Accounts

**Care Health Insurance Limited**

(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012



FORM B-PL

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2021**

S.No	Particulars	Schedule	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
			(₹ '000)	(₹ '000)
1	<b>OPERATING PROFIT/(LOSS)</b>			
	(a) Fire Insurance		-	-
	(b) Marine Insurance		-	-
	(c) Miscellaneous Insurance		2,627,439	2,562,054
2	<b>INCOME FROM INVESTMENTS</b>			
	(a) Interest, Dividend & Rent – Gross		568,426	219,060
	(b) Profit on sale of investments		24,456	3,104
	Less: Loss on sale of investments		-	-
3	<b>OTHER INCOME</b>			
	(a) Provision no longer required written back		8,232	3,501
	(b) Liability written back		-	2,255
	(b) Other		-	-
	<b>TOTAL (A)</b>		<b>3,228,553</b>	<b>2,789,974</b>
4	<b>PROVISIONS (Other than taxation)</b>			
	(a) For diminution in the value of investments		-	-
	(b) For doubtful debts		-	-
	(c) Others		-	-
5	<b>OTHER EXPENSES</b>			
	(a) Expenses other than those related to Insurance Business		45,571	56,474
	(b) Bad debts written off		7,636	6,435
	(c) Foreign Exchange Loss/(Gain)		10,094	5,649
	(d) Corporate Social Responsibility (CSR) Expenses		7,111	3,369
	(e) Sandbox related expenses		1,146	246
	(d) Contribution to the Policyholders' Fund towards Excess EoM*		2,402,144	2,058,894
	<b>TOTAL (B)</b>		<b>2,473,702</b>	<b>2,131,067</b>
	Profit / (Loss) Before Tax		754,851	658,907
	Provision for Taxation		154,161	-
	Less: Mat Credit Reversal		-	3,422
	Tax relating to earlier years		-	(1,055)
	Deferred Tax Credit		(421,600)	-
	Profit / (Loss) After Tax		1,022,290	656,540
	<b>APPROPRIATIONS</b>			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or Other Accounts (to be specified)		-	-
	Balance of profit/ loss brought forward from last year/period		(1,955,579)	(2,612,119)
	<b>Balance carried forward to Balance Sheet</b>		<b>(933,289)</b>	<b>(1,955,579)</b>
	Significant Accounting Policies and Notes to Accounts	16		

\* Expense in excess of the limit allowed as per regulation on expenses of management charged to shareholder's account (Refer note 25)  
The schedules referred to above form an integral part of the Financial Statements.

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

For S.P. Chopra & Co.  
Chartered Accountants  
Firm Regn No. : 0000346N

For and on behalf of Board of Directors

Hitesh Garg  
Partner  
Membership No. : 502955

Pawan K Gupta  
Partner  
Membership No. : 092529

Dr. Rashmi Saluja  
Non-Executive Chairperson  
(DIN 01715298)

Anuj Gulati  
Managing Director & CEO  
(DIN 00278955)

Shamsher Singh Mehta  
Non-Executive  
Independent Director  
(DIN 02201929)

Pankaj Gupta  
Chief Financial Officer

Place: Gurugram  
Date: 15<sup>th</sup> June, 2021

Pratik Kapoor  
Company Secretary

Ambrish Jindal  
Head-Finance & Accounts

# Care Health Insurance Limited

(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012



## RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2021

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
	(₹ '000)	(₹ '000)
<b>Cash Flows from the Operating activities:</b>		
Premium received from policyholders, including advance receipts	30,236,732	28,433,791
Other receipts	-	-
Payments to the re-insurers, net of commissions and claims	(242,467)	596,827
Payments to co-insurers, net of claims recovery	(15,004)	58,221
Payments of claims	(10,983,424)	(13,583,560)
Payments of commission and brokerage	(3,150,355)	(2,788,179)
Payments of other operating expenses*	(8,749,191)	(6,958,744)
Preliminary and pre-operative expenses	-	-
Deposits, advances and staff loans	26,489	(30,699)
Income taxes paid (Net)	(102,909)	(3,628)
Service tax / GST paid	(3,227,784)	(2,382,065)
Other payments	-	-
<b>Cash flows before extraordinary items</b>	<b>3,792,087</b>	<b>3,341,963</b>
Cash flow from extraordinary operations	-	-
<b>Net cash flow from Operating activities</b>	<b>3,792,087</b>	<b>3,341,963</b>
<b>Cash flows from Investing activities:</b>		
Purchase of fixed assets (including capital advances)	(140,200)	(171,405)
Proceeds from sale of fixed assets	1,198	632
Purchases of investments	(10,502,712)	(6,236,870)
Loans disbursed	-	-
Sales of investments	2,260,000	1,986,184
Repayments received	-	-
Rents/Interests/ Dividends received	1,506,783	1,144,594
Investments in money market instruments and in liquid mutual funds (Net)	(382,505)	(490,796)
Expenses related to investments	-	-
<b>Net cash flow from Investing activities</b>	<b>(7,257,436)</b>	<b>(3,767,662)</b>
<b>Cash flows from Financing activities:</b>		
Proceeds from issuance of share capital	3,373,670	587,551
Proceeds from borrowing	-	-
Repayments of borrowing	-	-
Interest/dividends paid	-	-
<b>Net cash flow from Financing activities</b>	<b>3,373,670</b>	<b>587,551</b>
Effect of foreign exchange rates on cash and cash equivalents, net	(10,095)	(5,649)
<b>Net increase in cash and cash equivalents:</b>	<b>(101,774)</b>	<b>156,203</b>
Cash and cash equivalents at the beginning of the year	558,574	402,372
<b>Cash and cash equivalents at the end of the year</b>	<b>456,800</b>	<b>558,574</b>

\*Includes payments towards Corporate Social Responsibility of Rs. 6,359 thousand (previous period: Rs. 2,855 thousand)

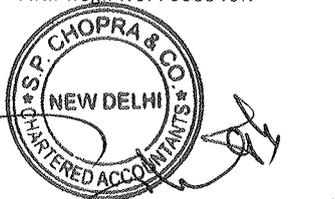
For T.R. Chadha & Co. LLP  
Chartered Accountants  
Firm Regn No. : 006711N/N500028

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

For and on behalf of Board of Directors



Hitesh Garg  
Partner  
Membership No. :502955



Pawan K Gupta  
Partner  
Membership No. : 092529

Dr. Rashmi Saluja  
Non-Executive Chairperson  
(DIN 01715298)

Anuj Gulati  
Managing Director & CEO  
(DIN 00278955)

Shamsheer Singh Mehta  
Non-Executive  
Independent Director  
(DIN 02201929)

Pankaj Gupta  
Chief Financial Officer

Pratik Kapoor  
Company Secretary

Ambrish Jiral  
Head-Finance & Accounts

Place: Gurugram  
Date: 15<sup>th</sup> June, 2021

**Care Health Insurance Limited**

(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012



FORM B-BS  
BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Schedule	As at 31st March, 2021 (₹ '000)	As at 31st March, 2020 (₹ '000)
<b>SOURCES OF FUNDS</b>			
Share Capital	5	8,410,422	7,279,491
Share Application Money Pending Allotment		-	2,253
Reserves And Surplus	6	2,911,469	554,856
Fair Value Change Account - Shareholders		(19,836)	(26,789)
Fair Value Change Account - Policyholders		2,798	-
Borrowings	7	-	-
<b>TOTAL</b>		<b>11,304,853</b>	<b>7,809,811</b>
<b>APPLICATION OF FUNDS</b>			
<b>Investments</b>			
- Shareholders	8	9,098,394	5,416,812
- Policyholders	8A	17,251,666	12,340,465
Loans	9	-	-
Fixed Assets	10	489,986	545,211
Deferred Tax Asset*		421,600	-
<b>CURRENT ASSETS</b>			
Cash and Bank Balances	11	456,800	558,574
Advances and Other Assets	12	2,102,815	1,141,311
<b>Sub-Total (A)</b>		<b>2,559,615</b>	<b>1,699,885</b>
Current Liabilities	13	8,472,864	6,811,872
Provisions	14	10,976,833	7,336,269
<b>Sub-Total (B)</b>		<b>19,449,697</b>	<b>14,148,141</b>
<b>Net Current Assets (C) = (A - B)</b>		<b>(16,890,082)</b>	<b>(12,448,256)</b>
Miscellaneous Expenditure (To The Extent Not Written Off or Adjusted)	15	-	-
Debit Balance In Profit And Loss Account		933,289	1,955,579
<b>TOTAL</b>		<b>11,304,853</b>	<b>7,809,811</b>
Significant Accounting Policies and Notes to Accounts	16		
Contingent liabilities	16.1		

\*Refer Note 23.

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

As per our report of even date attached

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



Hitesh Garg  
Partner  
Membership No. : 502955

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



Pawan K Gupta  
Partner  
Membership No. : 092529

For and on behalf of Board of Directors

Dr. Rashmi Saluja  
Non-Executive Chairperson  
(DIN 01715298)

Anuj Gulati  
Managing Director & CEO  
(DIN 00278955)

Shamsheer Singh Mehta  
Non-Executive  
Independent Director  
(DIN 02201929)

Pankaj Gupta  
Chief Financial Officer

Pratik Kapoor  
Company Secretary

Ambrish Jindal  
Head-Finance & Accounts

Place: Gurugram  
Date: 15<sup>th</sup> June, 2021

**Care Health Insurance Limited**

(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 1****PREMIUM EARNED [NET]**

Particulars	For the Year ended 31st March, 2021			For the Year ended 31st March, 2020		
	Health	PA	Total	Health	PA	Total
	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
Premium from direct business written *	23,340,563	2,256,974	25,597,537	22,317,383	1,572,484	23,889,867
Add: Premium on reinsurance accepted	282,682	-	282,682	200,168	20	200,188
Less : Premium on reinsurance ceded	5,930,730	141,197	6,071,927	7,733,425	96,428	7,829,853
<b>Net Premium</b>	<b>17,692,515</b>	<b>2,115,777</b>	<b>19,808,292</b>	<b>14,784,126</b>	<b>1,476,076</b>	<b>16,260,202</b>
Adjustment for changes in reserve for unexpired risks	2,191,935	321,662	2,513,597	1,021,272	154,423	1,175,695
<b>Total Premium Earned (Net)</b>	<b>15,500,580</b>	<b>1,794,115</b>	<b>17,294,695</b>	<b>13,762,854</b>	<b>1,321,653</b>	<b>15,084,507</b>

\* Net of Service tax / GST



**Care Health Insurance Limited**

(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012



**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**SCHEDULE - 2**

**CLAIMS INCURRED [NET]**

Particulars	For the Year ended 31st March, 2021			For the Year ended 31st March, 2020		
	Health (₹ '000)	PA (₹ '000)	Total (₹ '000)	Health (₹ '000)	PA (₹ '000)	Total (₹ '000)
<b>Claims paid</b>						
Direct	10,662,351	312,022	10,974,373	12,374,284	323,347	12,697,631
Add : Re-insurance accepted	230,922	-	230,922	195,925	-	195,925
Less : Re-insurance Ceded	2,836,255	44,164	2,880,419	4,854,835	97,207	4,952,042
<b>Net Claims Paid</b>	<b>8,057,018</b>	<b>267,858</b>	<b>8,324,876</b>	<b>7,715,374</b>	<b>226,140</b>	<b>7,941,514</b>
Add: Claims Outstanding at the end of the year *	3,346,120	492,688	3,838,808	2,271,801	353,720	2,625,521
Less: Claims Outstanding at the beginning of the year*	2,271,801	353,720	2,625,521	1,417,373	230,214	1,647,587
<b>Total Claims Incurred</b>	<b>9,131,337</b>	<b>406,826</b>	<b>9,538,163</b>	<b>8,569,802</b>	<b>349,646</b>	<b>8,919,448</b>

\*Net of Reinsurance



**Care Health Insurance Limited**(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 3****COMMISSION**

Particulars	For the Year ended 31st March, 2021			For the Year ended 31st March, 2020		
	Health (₹ '000)	PA (₹ '000)	Total (₹ '000)	Health (₹ '000)	PA (₹ '000)	Total (₹ '000)
<b>Commission paid</b>						
Direct	3,197,969	334,396	3,532,365	2,338,361	228,191	2,566,552
Add: Re-insurance Accepted	2,776	-	2,776	2,592	5	2,597
Less: Commission on Re-insurance Ceded	3,248,495	20,559	3,269,054	2,774,141	16,709	2,790,850
<b>Net Commission</b>	<b>(47,750)</b>	<b>313,837</b>	<b>266,087</b>	<b>(433,188)</b>	<b>211,487</b>	<b>(221,701)</b>

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

Agents	1,808,025	33,154	1,841,179	1,252,640	27,962	1,280,602
Brokers*	818,004	32,235	850,239	666,744	30,535	697,279
Corporate Agency	571,940	269,007	840,947	418,977	169,694	588,671
Referral	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>TOTAL (B)</b>	<b>3,197,969</b>	<b>334,396</b>	<b>3,532,365</b>	<b>2,338,361</b>	<b>228,191</b>	<b>2,566,552</b>

\* Includes Web-Aggregator.



**Care Health Insurance Limited**

(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012


**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**
**SCHEDULE - 4**
**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS**

S. No	Particulars	For the Year ended 31st March, 2021			For the Year ended 31st March, 2020		
		Health	PA	Total	Health	PA	Total
		(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)	(₹ '000)
1	Employees' remuneration & welfare benefits	3,629,361	434,021	4,063,382	3,137,622	313,266	3,450,888
2	Travel, conveyance and vehicle running expenses	29,960	3,583	33,543	238,957	23,858	262,815
3	Training expenses	64,936	7,765	72,701	100,372	10,021	110,393
4	Rents, rates & taxes	130,502	15,606	146,108	133,014	13,280	146,294
5	Repairs	26,573	3,178	29,751	36,743	3,669	40,412
6	Printing & stationery	39,273	4,696	43,969	55,667	5,558	61,225
7	Communication	121,331	14,509	135,840	103,743	10,358	114,101
8	Legal & professional charges	887,539	106,137	993,676	723,263	72,212	795,475
9	Auditors' fees, expenses etc						
	(a) as auditor	4,100	490	4,590	4,278	427	4,705
	(b) as adviser or in any other capacity, in respect of						
	(i) Taxation matters	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-
	(iii) Management services; and	-	-	-	-	-	-
	(c) in any other capacity	-	-	-	-	-	-
10	Advertisement and publicity	1,114,553	133,285	1,247,838	1,107,793	110,604	1,218,397
11	Interest & bank charges	70,685	8,453	79,138	44,716	4,464	49,180
12	Others						
	(a) Electricity and Water	21,370	2,555	23,925	24,411	2,437	26,848
	(b) Medical Charges-Policy Issuance	3,771	-	3,771	4,865	-	4,865
	(b) Other	118,304	14,147	132,451	115,380	11,520	126,899
13	Depreciation	176,843	21,148	197,991	164,411	16,415	180,826
14	Service Tax /GST Account	1,558	186	1,744	11,853	1,183	13,036
	<b>TOTAL</b>	<b>6,440,659</b>	<b>769,759</b>	<b>7,210,418</b>	<b>6,007,086</b>	<b>599,273</b>	<b>6,606,359</b>



## Care Health Insurance Limited

(Formerly Known as Religare Health Insurance Company Limited)  
IRDA Registration number 148 dated 26 April, 2012



### SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

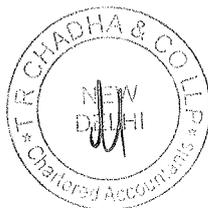
#### SCHEDULE - 5

#### SHARE CAPITAL

S. No	Particulars	As at 31st March, 2021 (₹ '000)	As at 31st March, 2020 (₹ '000)
1	<b>Authorised Capital</b>		
	1,300,000,000 Equity Shares of ₹ 10 each (Previous Year 1,300,000,000 Equity Shares of ₹ 10 each)	13,000,000	13,000,000
2	<b>Issued Capital</b>		
	841,042,196 Equity Shares of ₹ 10 each (Previous Year 727,949,069 Equity Shares of Rs 10 each)	8,410,422	7,279,491
3	<b>Subscribed Capital</b>		
	841,042,196 Equity Shares of ₹ 10 each (Previous Year 727,949,069 Equity Shares of Rs 10 each)	8,410,422	7,279,491
4	<b>Called-up Capital</b>		
	841,042,196 Equity Shares of ₹ 10 each (Previous Year 727,949,069 Equity Shares of Rs 10 each)	8,410,422	7,279,491
	Less : Calls unpaid	-	-
	Add : Equity Shares forfeited (Amount originally paid up)	-	-
	Less : Par Value of Equity Shares bought back	-	-
	Less : Preliminary Expenses	-	-
	Less : Expenses including commission or brokerage on Underwriting or subscription of shares	-	-
	<b>TOTAL</b>	<b>8,410,422</b>	<b>7,279,491</b>

Notes:

1 Out of the above, 594,732,253 (Previous Year 647,516,629) Equity Shares of ₹ 10 each are held by the holding company "Religare Enterprises Limited", along with its nominees.



## Care Health Insurance Limited

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### SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

#### SCHEDULE - 5A

#### PATTERN OF SHAREHOLDING

[As certified by the Management]

Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
· Indian	795,835,614	94.6%	698,895,681	96.0%
· Foreign	-	0.0%	-	0.0%
Others	45,206,582	5.4%	29,053,388	4.0%
<b>TOTAL</b>	<b>841,042,196</b>	<b>100.0%</b>	<b>727,949,069</b>	<b>100.0%</b>



## Care Health Insurance Limited

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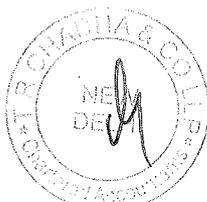


### SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

#### SCHEDULE - 6

#### RESERVES AND SURPLUS

S. No	Particulars	As at 31st March, 2021	As at 31st March, 2020
		(₹ '000)	(₹ '000)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium		
	- Opening Balance	191,306	-
	- Additions during the year	2,423,538	191,306
4	General Reserves	-	-
	Less: Debit balance in Profit and Loss Account	-	-
	Less: Amount utilized for Buy-back	-	-
5	Catastrophe Reserve	-	-
6	Other Reserves		
	- Employee Stock Option Reserve		
	- Opening Balance	363,550	139,887
	- Additions during the year	111,622	223,663
	- Deduction during the year	(178,547)	-
7	Balance of Profit in Profit & Loss Account	-	-
	<b>TOTAL</b>	<b>2,911,469</b>	<b>554,856</b>



**Care Health Insurance Limited**

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**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 7****BORROWINGS**

S. No	Particulars	As at 31st March, 2021	As at 31st March, 2020
		(₹ '000)	(₹ '000)
1	Debentures/ Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	<b>TOTAL</b>	-	-



# Care Health Insurance Limited

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## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

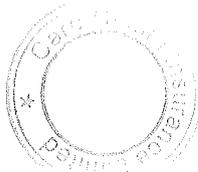
### SCHEDULE - 8

#### INVESTMENTS - SHAREHOLDERS

S. No	Particulars	Shareholders	
		As at 31st March, 2021 (₹ '000)	As at 31st March, 2020 (₹ '000)
	<b>LONG TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	2,373,822	1,334,163
2	Other Approved Securities	218,873	219,859
3	Other Investments		
	(a) Shares	-	-
	(aa) Equity	15,415	8,133
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	1,809,695	805,408
	(e) Other Securities	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	4,028,036	1,620,126
5	Other than Approved Investments	51,905	50,000
	<b>SHORT TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	200,981	-
2	Other Approved Securities	-	-
3	Other Investments		
	(a) Shares		
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	913,543
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	349,667	150,345
	(e) Other Securities	-	-
	- Fixed Deposits	-	65,000
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	50,000	250,237
5	Other than Approved Investments	-	-
	<b>TOTAL</b>	<b>9,098,394</b>	<b>5,416,812</b>
	<b>INVESTMENTS</b>		
1	In India	9,098,394	5,416,812
2	Outside India	-	-
	<b>TOTAL</b>	<b>9,098,394</b>	<b>5,416,812</b>

**Note:**

Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs.9,082,979 Thousands (Previous year Rs. 5,408,679 Thousands). Market value of such investments as at March 31, 2021 is Rs. 9,284,266 Thousands (Previous year Rs. 5,442,107 Thousands)



## Care Health Insurance Limited

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### SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

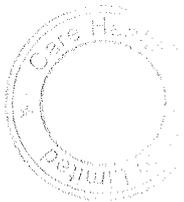
#### SCHEDULE - 8A

#### INVESTMENTS - POLICYHOLDERS

S. No	Particulars	Policy-Holders	
		As at 31st March, 2021	As at 31st March, 2020
		(₹ '000)	(₹ '000)
	<b>LONG TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	4,536,107	2,913,137
2	Other Approved Securities	1,006,956	1,009,469
3	Other Investments		
	(a) Shares	-	-
	(i) Equity	-	-
	(ii) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Debentures/ Bonds	2,597,266	2,009,395
	(d) Investment Properties-Real Estate	-	-
	(e) Other Securities	-	-
4	Investments in Infrastructure and Housing	5,417,246	4,550,560
	<b>Sub-Total</b>	<b>13,557,575</b>	<b>10,482,562</b>
	<b>SHORT TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	150,267	210,152
2	Other Approved Securities	-	-
3	Other Investments		
	(a) Shares		
	(i) Equity	-	-
	(ii) Preference	-	-
	(b) Mutual Funds	1,361,244	-
	(c) Debentures/ Bonds	635,407	847,491
	(d) Investment Properties-Real Estate	-	-
	(e) Other Securities	-	-
	- Fixed Deposits	-	-
	- Certificate of Deposit	-	-
4	Investments in Infrastructure and Housing	1,547,173	800,260
	<b>Sub-Total</b>	<b>3,694,091</b>	<b>1,857,903</b>
	<b>TOTAL</b>	<b>17,251,666</b>	<b>12,340,465</b>
	<b>INVESTMENTS</b>		
1	In India	17,251,666	12,340,465
2	Outside India	-	-
	<b>TOTAL</b>	<b>17,251,666</b>	<b>12,340,465</b>

#### Notes:

Aggregate amount of Company's investments other than listed equity securities and derivative instruments is Rs.17,251,666 Thousands (Previous year Rs. 12,340,465 Thousands). Market value of such investments as at March 31, 2021 is Rs.17,790,611 Thousands (Previous year Rs. 12,780,549 Thousands)



## Care Health Insurance Limited

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### SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

#### SCHEDULE - 9

#### LOANS

S. No	Particulars	As at 31st March, 2021 (₹'000)	As at 31st March, 2020 (₹'000)
1	<b>SECURITY-WISE CLASSIFICATION</b>		
	Secured		
	(a) On mortgage of property		
	(aa) In India		
	(bb) Outside India		
	(b) On Shares, Bonds, Govt. Securities		
	(c) Others		
	Unsecured		
	<b>TOTAL</b>	-	-
2	<b>BORROWER-WISE CLASSIFICATION</b>		
	(a) Central and State Governments		
	(b) Banks and Financial Institutions		
	(c) Subsidiaries		
	(d) Industrial Undertakings		
	(e) Others		
	<b>TOTAL</b>	-	-
3	<b>PERFORMANCE-WISE CLASSIFICATION</b>		
	(a) Loans classified as standard		
	(aa) In India		
	(bb) Outside India		
	(b) Non-performing loans less provisions		
	(aa) In India		
	(bb) Outside India		
	<b>TOTAL</b>	-	-
4	<b>MATURITY-WISE CLASSIFICATION</b>		
	(a) Short Term		
	(b) Long Term		
	<b>TOTAL</b>	-	-



## Care Health Insurance Limited

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### SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

#### SCHEDULE - 10

#### FIXED ASSETS

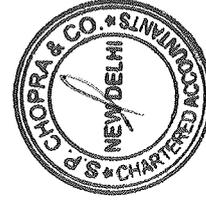
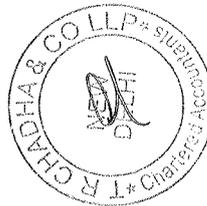
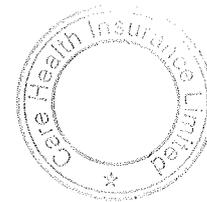
(₹ '000)

Particulars	As at 1st April, 2020		Cost/ Gross Block		As at 31st March, 2021	Upto 1st April, 2020	Depreciation		Net Block		
	As at 1st April, 2020	Additions	Deductions	For the period			On Sales / Adjustments	Upto 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020	
Goodwill	-	-	-	-	-	-	-	-	-	-	-
Intangibles-Computer Software	905,843	95,619	-	-	1,001,462	589,351	121,560	(28)	290,523	710,939	316,493
Land-Freehold	-	-	-	-	-	-	-	-	-	-	-
Leasehold Property	24,281	-	-	-	24,281	11,250	1,389	-	11,642	12,639	13,031
Buildings	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	10,585	700	279	11,006	11,006	10,131	933	254	196	10,810	454
Information Technology Equipment	394,327	25,507	3,133	416,701	416,701	218,448	61,415	2,980	139,817	276,883	175,879
Vehicles	7,388	-	3,655	3,733	3,733	7,388	-	3,655	-	3,733	-
Office Equipment	64,127	16,203	4,314	76,016	76,016	39,433	12,694	4,235	28,124	47,892	24,694
Others (Specify nature)	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL - Current Year</b>	<b>1,406,552</b>	<b>138,028</b>	<b>11,381</b>	<b>1,533,199</b>	<b>1,533,199</b>	<b>876,002</b>	<b>197,991</b>	<b>11,096</b>	<b>470,302</b>	<b>1,062,897</b>	<b>530,550</b>
<b>Previous Year</b>	<b>1,239,184</b>	<b>171,045</b>	<b>3,677</b>	<b>1,406,552</b>	<b>1,406,552</b>	<b>698,298</b>	<b>180,826</b>	<b>3,121</b>	<b>530,550</b>	<b>876,002</b>	<b>530,550</b>
Work in progress	14,661	19,684	14,661	19,684	19,684	-	-	-	19,684	-	14,661
<b>Grand Total: Current Year</b>	<b>1,421,213</b>	<b>157,712</b>	<b>26,042</b>	<b>1,552,883</b>	<b>1,552,883</b>	<b>876,002</b>	<b>197,991</b>	<b>11,096</b>	<b>489,986</b>	<b>1,062,897</b>	<b>545,211</b>
<b>Previous Year</b>	<b>1,262,365</b>	<b>185,706</b>	<b>26,858</b>	<b>1,421,213</b>	<b>1,421,213</b>	<b>698,298</b>	<b>180,826</b>	<b>3,121</b>	<b>545,211</b>	<b>876,002</b>	<b>545,211</b>

Note:

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

2) The useful life of the assets has been arrived as per the provisions of Schedule-II to Companies Act, 2013. Useful Life of softwares has been considered as 74 months; with effect from December 2019, useful life of software enhancements has been considered as 36 Months. Useful life of some categories of office equipments, furniture and vehicles has been considered lower than that recommended by the Schedule - II to Companies Act, 2013.



## Care Health Insurance Limited

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### SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

#### SCHEDULE - 11

#### CASH AND BANK BALANCES

S. No	Particulars	As at 31st March, 2021 (₹ '000)	As at 31st March, 2020 (₹ '000)
1	Cash (including cheques, drafts and stamps)	45,816	12,450
2	Bank Balances		
	(a) Deposit Accounts <sup>^</sup>		
	(aa) Short-term (due within 12months)	9,244	6,828
	(bb) Others	2,500	4,524
	(b) Current Accounts	399,240	534,772
	(c) Others	-	-
3	Money at Call and Short Notice		
	(a) With Banks	-	-
	(b) With other Institutions	-	-
4	Others	-	-
	<b>TOTAL</b>	<b>456,800</b>	<b>558,574</b>
	Balances with non-scheduled banks included in 2 and 3 above	NIL	NIL

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



## Care Health Insurance Limited

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### SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

#### SCHEDULE - 12

#### ADVANCES AND OTHER ASSETS

S. No	Particulars	As at 31st March, 2021	As at 31st March, 2020
		(₹ '000)	(₹ '000)
	<b>ADVANCES</b>		
1	Reserve deposits with ceding companies	-	-
2	Application money for investments	-	-
3	Prepayments	87,986	53,972
4	Advances to directors/officers	-	-
5	Advance tax paid and taxes deducted at source (Net of provision for taxation)	8,289	8,289
6	Others		
	(a) Advances to suppliers	79,839	8,401
	(b) Other Advances/ Receivables	17,699	27,639
	<b>TOTAL (A)</b>	<b>193,813</b>	<b>98,301</b>
	<b>OTHER ASSETS</b>		
1	Income accrued on investments *	734,530	550,266
2	Outstanding premiums	73,090	81,323
3	Agents balances	20,956	16,084
4	Foreign agencies balances	-	-
5	Due from other entities carrying on insurance business (including re-insurers)	394,292	104,758
6	Due from subsidiaries/holding companies	-	-
7	Deposit with RBI (Pursuant to section 7 of Insurance Act, 1938)	-	-
8	Others		
	(a) Rent Deposits & other assets	106,341	110,398
	(b) GST unutilized credit	554,213	157,438
	(c) Unclaimed amount of Policy Holder (Investment)	22,967	20,068
	(d) Income on Unclaimed amount of Policy Holder (Investment)	2,613	2,675
	<b>TOTAL (B)</b>	<b>1,909,002</b>	<b>1,043,010</b>
	<b>TOTAL (A+B)</b>	<b>2,102,815</b>	<b>1,141,311</b>

\* Income accrued on investments includes interest on deposits also.



**Care Health Insurance Limited**

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**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 13****CURRENT LIABILITIES**

S. No	Particulars	As at 31st March, 2021 (₹ '000)	As at 31st March, 2020 (₹ '000)
1	Agents' balances	255,335	186,265
2	Balance due to other insurance companies	111,430	207,412
3	Deposits held on re-insurance ceded	-	-
4	Premiums received in advance	571,986	611,302
5	Unallocated premium	793,270	710,262
6	Sundry creditors	1,776,435	1,765,435
7	Due to subsidiaries/holding company	2,658	955
8	Claims outstanding*	3,838,808	2,625,521
9	Due to officers/directors	-	-
10	Unclaimed amount of Policy Holder	22,333	19,096
11	Others		
	(a) Tax deducted payable	200,792	123,430
	(b) Other statutory dues	17,573	17,277
	(c) GST Liability	871,470	533,271
	(d) Other Liabilities	8,161	8,971
	(e) Income on Unclaimed amount of Policy Holder (Investment)	2,613	2,675
	<b>TOTAL</b>	<b>8,472,864</b>	<b>6,811,872</b>

\*Net of Reinsurance



**Care Health Insurance Limited**

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**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS****SCHEDULE - 14****PROVISIONS**

S. No	Particulars	As at 31st March, 2021	As at 31st March, 2020
		(₹ '000)	(₹ '000)
1	Reserve for unexpired risk	9,392,779	6,879,182
2	For taxation (less advance tax paid and tax deducted at source)	51,252	-
3	For proposed dividends	-	-
4	For dividend distribution tax	-	-
5	Others		
	(a) For employee benefits	79,471	110,487
	(b) Lease equalisation reserve	8,375	7,632
	(c) Provision for doubtful debts	86,174	94,406
6	Reserve for Premium Deficiency	1,358,782	244,562
	<b>TOTAL</b>	<b>10,976,833</b>	<b>7,336,269</b>



**Care Health Insurance Limited**

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**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

**SCHEDULE - 15**

**MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

S. No	Particulars	As at 31st March, 2021	As at 31st March, 2020
		(₹ '000)	(₹ '000)
1	Discount allowed in issue of shares/ debentures	-	-
2	Others	-	-
	<b>TOTAL</b>	-	-



## Care Health Insurance Limited

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### Schedule 16

#### Significant Accounting Policies forming part of the financial statements for the year ended 31st March, 2021

##### 1. Background

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

##### 2. Basis of Preparation of Financial Statements

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

##### 3. Use of estimates

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

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



## Care Health Insurance Limited

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### 4. Significant Accounting Policies

#### 4.1. Revenue recognition

##### Premium income

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

##### Income from reinsurance ceded

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

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

##### Income earned on investments

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

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

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

#### 4.2. Premium received in advance

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

#### 4.3. Unallocated Premium

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



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### 4.4. Reinsurance Premium

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

### 4.5. Premium Deficiency

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

### 4.6. Unearned Premium Reserve

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

### 4.7. Claims

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

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

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



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### 4.8. Acquisition costs

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

### 4.9. Investments

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

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

#### Classification

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

#### Valuation

Investments are valued as follows:

- **Debt securities and non – convertible preference shares**

All debt securities including government securities and non – convertible preference shares are considered as 'held to maturity' and accordingly stated at historical cost, subject to accretion of discount or amortization of premium over the holding/maturity period on a straight line basis.

- **Mutual funds**

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

- **Listed Equities**

Listed equity shares as at the Balance Sheet date are stated at fair value being the quoted closing price on the Primary Exchange – 'National Stock Exchange ('NSE')'. In case the equity share is not listed / traded on the Primary Exchange the quoted closing price on the Secondary Exchange – 'Bombay Stock Exchange ('BSE')', is considered as fair value. Equity shares awaiting listing are stated at historical cost subject to provision for diminution, if any, in the value of such investment determined separately for each individual investment.

- Investments other than mentioned above are valued at cost.



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- **Fair Value Change Account**

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

### Impairment of Investments

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

### 4.10. Fixed assets, Intangible and Impairments

Fixed assets and depreciation

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

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

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

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

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

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



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### Intangible Assets

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

Intangible assets comprising computer software are carried at cost less amortization. Computer software including improvements are amortised over the management's estimate of the useful life of such intangibles. Management estimates for useful life of intangibles is 6 years 2 months. In case where an enhancement is done on existing computer software which results in improvement in useful life of the software, the Management estimates for useful life of these software enhancements is 3 years.

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

### Impairment of assets

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

#### 4.11. Operating Lease

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

#### 4.12. Employee benefits

(i) **Defined Contribution Plan**

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

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

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



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

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

(iv) **Long Term Incentive Plan and Special Assured Bonus Plan**

Long Term Incentive and special assured bonus payable to employees is provided based on actuarial valuation including actuarial gains/losses at balance sheet date. The actuarial valuation has been carried out using the Projected Unit credit Method.

#### 4.13. Employee Stock Option Scheme("ESOS")

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

#### 4.14. Taxation

Provision for current taxes is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that have been substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

#### 4.15. Earnings per share

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



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### 4.16. Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. A disclosure for a contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

### 4.17. Cash and Cash Equivalents

Cash and cash equivalent for the purpose of Accounting Standard, (AS)-3, Cash Flow Statement comprises of cash and bank balances only.

### 4.18. Segment Reporting

#### a. Allocation of Income and Expenses

##### 1. Allocation of Investment Income

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

##### 2. Allocation of Expenses

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

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

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

4.19 Goods and service tax liability on insurance service is set-off against the input tax credits available from tax paid on input services. Unutilized credits, if any, are carried forward for set-off in future.



Schedules forming part of financial statements

NOTES FORMING PART OF ACCOUNTS

1 Contingent Liabilities		(₹ '000)	
Particulars	As at 31.03.2021	As at 31.03.2020	
Partly paid up Investments	-	-	
Claims, other than against Policies, not acknowledged as debts by the Company	9,825	9,401	
Underwriting commitments outstanding (in respect of shares and securities)	-	-	
Guarantees given by or on behalf of the Company	9,395	9,395	
Statutory demands / liabilities in dispute, not provided for	-	-	
Reinsurance obligations to the extent not provided for in accounts	-	-	
Others - Against the cases filed by the ex landlord, Vendor and Ex employee	5,672	52,368	

2 **Basis used by the Actuary for determining provision required for IBNR / IBNER**  
'Claims Incurred But Not Reported' (IBNR) and Claims Incurred But Not Enough Reported (IBNER) as at March 31, 2021 has been estimated by the Appointed Actuary in compliance with the guidelines issued by IRDA and applicable provisions of professional guidance notes issued by the Institute of Actuaries of India.

3 **Encumbrances**

All the assets of the Company are free from any encumbrances except deposits in banks amounting to ₹ 9,395 thousands (previous year ₹ 9,395 thousand) These deposits have been placed with banks for the purposes of executing bank guarantees. The Company has all assets within India.

4 Estimated Amount of Commitments made and Outstanding for		(₹ '000)	
Particulars	As at 31.03.2021	As at 31.03.2020	
Loans	-	-	
Investments	-	-	
Fixed Assets (Net of advances)	17,368	14,001	

5 Claims less Reinsurance paid to Claimants*		(₹ '000)	
Particulars	As at 31.03.2021	As at 31.03.2020	
In India	8,236,826	7,663,361	
Outside India	112,026	82,228	

\* Excluding Claims paid on Reinsurance accepted

6 Age-wise Breakup of Gross Claims Outstanding*		(₹ '000)	
Particulars	As at 31.03.2021	As at 31.03.2020	
Outstanding for more than six months	-	168,763	
Others	3,326,771	2,243,763	
	3,326,771	2,412,526	

\*Excluding IBNR provisions, amounts payable to service providers and third party administrator.

7 Claims settled and remaining unpaid for more than six months is NIL (Previous year : NIL)

8 (a) Premium less Reinsurance Written During the Year		(₹ '000)			
Class of Business	In India		Outside India		
	For the Year ended 31.03.2021	For the Year ended 31.03.2020	For the Year ended 31.03.2021	For the Year ended 31.03.2020	
Miscellaneous	19,808,292	16,260,202	-	-	

(b) No premium income is recognized on "Varying Risk Pattern" basis.



Schedules forming part of financial statements

9 Extent of Risk Retained and Reinsured (₹ '000)

Class of Business	Risk Retained		Risk Reinsured	
	For the Year ended 31.03.2021	For the Year ended 31.03.2020	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Miscellaneous	77%	67%	23%	33%

10 Value of Contracts in relation to Investments (₹ '000)

Particulars	As at 31.03.2021	As at 31.03.2020
	Purchase where deliveries are pending	-
Sales where payments are overdue	-	-

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

12 The Company does not have any investment property as at March 31, 2021 or March 31, 2020.

13 Historical cost of investments which are valued at Fair Value

Particulars	March 31, 2021		March 31, 2020	
	Reported / fair value	Historical Cost	Reported / fair value	Historical Cost
Mutual Funds	1,361,244	1,358,446	913,543	913,213
Equity Shares	15,415	35,252	8,133	35,252

14 Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on 31st March 2021

Particulars	Total Amount	Age-wise Analysis (₹ in Lakhs)							
		0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	37-120 months	More than 120 months
Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the insured /policyholders	-	-	-	-	-	-	-	-	-
Sum due to the insured /policyholders on maturity or otherwise	-	-	-	-	-	-	-	-	-
Excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not encashed so far	-	-	-	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/insured *	249	49	47	20	23	23	21	66	-

\* Fair Value of Investments against unclaimed amount is ₹ 256 Lakhs

Details of Unclaimed amounts and investment income thereon

Particulars	(₹ in Lakhs)			
	FY 2020-21		FY 2019-20	
	Policy Dues	Income Accrued	Policy Dues	Income Accrued
Opening Balance	191	27	176	19
Add: Amount Transferred to unclaimed amount	163	-	70	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders	4	-	5	-
Add: Investment income	-	8	-	12
Less: Amount paid during the year	135	9	60	4
Less: Amount transfer to SCWF (Net of claims paid in respect of amount transferred earlier)	-	-	-	-
Closing Balance of Unclaimed Amount	223	26	191	27

15 Segment Information

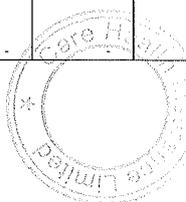
a) Business Segments

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

Segment	Health		Personal Accident	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
<b>Health Segment</b>				
Segmental Revenue	23,623,245	22,517,551	2,256,974	1,572,504
Segmental Result	(129,518)	241,012	354,812	262,148
<b>Segmental Liabilities</b>				
Claims Outstanding (Net)	3,346,120	2,271,801	492,688	353,720
Unexpired risk reserve (Net)	8,346,358	6,154,424	1,046,421	724,758
Premium Deficiency Reserve	1,297,581	244,562	61,202	-
Premium received in advance	525,469	568,619	46,517	42,683
<b>Segment Assets</b>				
Outstanding Premium	-	-	-	-

b) Geographical Segment

There is no reportable Geographical Segmentation for the year.



Schedules forming part of financial statements

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

Particulars	(₹ '000)	
	As at 31.03.2021	As at 31.03.2020
Salaries & Allowances	28,062	30,557
Contribution to Provident and other funds	1,582	2,900
Perquisites	-	-
<b>Total **</b>	<b>29,644</b>	<b>33,457</b>

\*\*The managerial remuneration paid to Mr. Anuj Gulati, the Managing Director and Chief Executive officer of the company is in accordance with the approval accorded by the Insurance Regulatory and Development Authority as per the requirement of Sec 34A of the Insurance Act, 1938. Pursuant to the said approval ₹ 15,000 (thousand) (Previous year ₹ 15,000 thousand) is charged to Revenue Account, and remaining ₹ 14,644 thousand (Previous year ₹ 18,457 thousand) is charged to Profit and Loss Account.

Provision towards gratuity and leave encashment of MD & CEO of the company amounting to Rs. 1,081 thousands (Previous Year Rs. 2,881 thousands) are determined actuarially and same has been charged to Profit & Loss account.

During the year a provision of ₹ 29,656 (thousand) towards bonus for managerial personnel has been created. The same is payable subject to approval by shareholders and Insurance Regulatory and Development Authority. The Provision has been charged to Profit and Loss account.

During the year bonus of ₹ 39,967 thousand has been paid to Mr. Anuj Gulati, the Managing Director and Chief Executive Officer of the Company. The said bonus has been paid out of previous year provisions.

Perquisites are calculated as per Income Tax Rules, 1962.

Above figures does not included perquisites calculated on exercise on ESOP shares.

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

18 Operating Lease Commitments

The Company has taken on lease office premises. Lease payments on cancellable and non cancellable lease of Rs. 162,695 thousand (previous year Rs. 170,253 thousand) are charged to Revenue Account and Profit and Loss Account. The future minimum lease payments in respect of non cancellable leases as at the balance sheet date are as under:

Particulars	(₹ '000)	
	Year ended 31.03.21	Year ended 31.03.20
Payable not later than one year	59,546	76,526
Payable later than one year but not later than five years	31,238	61,576
Payable later than five years	-	-
<b>Total</b>	<b>90,784</b>	<b>138,102</b>

19 Disclosure required under section 22 of Micro, Small and Medium Enterprise Development Act, 2006

Particulars	(₹ '000)	
	As at 31st March, 2021	As at 31st March, 2020
i. Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act.	-	-
- Principal	10,892	8,327
- Interest	-	-
ii. Amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv. The amount of interest accrued and remaining unpaid	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The above information regarding dues to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information collected with the Company. Further, the amount payable to these parties is not overdue hence no interest is required to provide/accrue as at 31.03.2021/31.03.2020.



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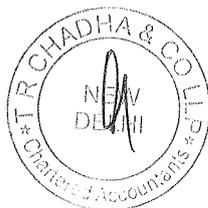
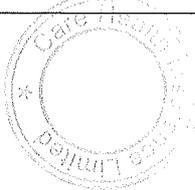


Schedules forming part of financial statements

20

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

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



Schedules forming part of financial statements

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

(₹ '000)

S. No	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	As at 31st March, 2021 / For the year ended 31st March, 2021	As at 31st March, 2020 / For the year ended 31st March, 2020
1	Religare Enterprises Limited	Holding Company	Allocation of Equity Shares	-	301,239
			Expense Reimbursement to Religare Enterprises Limited	20,766	26,981
			Receipt/Refund of Premium	(2)	180
			Purchase/Sale of Fixed Assets	308	-
			Payable	2,658	837
			Premium Received in Advance / Cash Deposit	-	2
2	Religare Finvest Limited	Fellow Subsidiary	Receipt/Refund of Premium	(5)	2,032
			Commission Expenses	-	117
			Commission Receivable/ (Payable)	-	61
			Premium Received in Advance / Cash Deposit	-	5
3	Religare Broking Limited	Fellow Subsidiary	Expense Reimbursement to Religare Broking Limited	-	139
			Payables	-	131
			Commission Payable	1,543	1,146
			Commission Expenses	12,278	11,837
			Premium Received in Advance / Cash Deposit	-	124
Receipt/Refund of Premium	(524)	2,889			
4	Religare Commodities Limited	Subsidiary of Fellow Subsidiary	Receipt/Refund of Premium	-	294
5	Religare Housing Development Finance Corporation Limited	Subsidiary of Fellow Subsidiary	Receipt/Refund of Premium	-	977
			Premium Received in Advance / Cash Deposit	-	3
6	Mr. Anuj Gulati/Mr. Pankaj Gupta/ Mr. Ajay Shah/ Mr. Chandrakant Mishra/ Mr. Nitin Katyal/ Mr Anoop Singh/ Ms. Bhawana Jain/Mr. Manish Dodeja/Mr.Pratik Kapoor/Mr.Sanjeev Meghani/Mr. Irvinder Singh Kohli	Key Management Personnel	Remuneration	192,511	189,155
7	Pankaj Gupta	Key Management Personnel	Receipt/Refund of Premium	1	4
8	Ajay Shah	Key Management Personnel	Receipt/Refund of Premium	97	13
9	Manish Dodeja	Key Management Personnel	Receipt/Refund of Premium	27	29
10	Bhawana Jain	Key Management Personnel	Receipt/Refund of Premium	-	1
11	Sanjeev Meghani	Key Management Personnel	Receipt/Refund of Premium	-	54
			Claims Payment	24	-
12	Anoop Singh	Key Management Personnel	Receipt/Refund of Premium	29	3
13	Pratik Kapoor	Key Management Personnel	Receipt/Refund of Premium	-	5

1) In case claims paid as per the policy term to person other than insured has not been considered for related party disclosure.

2-) Premium is net of refund/receipt.

3-) The above disclosure does not include equity shares allotted as per ESOP scheme and against right issue during the period to the KMP's (264.72 Lakhs shares during the period ended 31st March 2021). Also does not include perquisite calculated on exercise of shares as per ESOP Scheme.



Schedules forming part of financial statements

22 Employee Benefits

A. Gratuity and Leave Encashment

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

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

		Leave Encashment		Gratuity	
		2020-21	2019-20	2020-21	2019-20
I	Assumptions				
	Mortality	Indian Assured Lives Mortality (2012-14) Ult*			
	Discount Rate	4.50%	5.05%	4.50%	5.05%
	Rate of increase in compensation	6.00%	6.00%	6.00%	6.00%
	Rate of return(expected) on plan assets	NA	NA	4.50%	5.05%
	Withdrawal rates	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & + 10%	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & + 10%	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & + 10%	18-35: 65% p.a., 36-45: 45% p.a., 46 and above: 25% p.a. and for CEO & + 10%
	Expected average remaining working lives of employees	1.99	2.02	1.99	2.02
II	Changes in present value of obligations				
	DBO at beginning of year	55,640	52,024	121,733	81,133
	Interest Cost	2,603	2,786	6,018	5,168
	Current Service Cost	17,031	19,635	23,716	17,148
	Benefits Paid	8,205	19,617	5,117	5,657
	Actuarial gain/(loss) on obligation	949	(812)	(11,183)	(23,942)
	DBO at end of year	66,120	55,640	157,534	121,733
III	Changes in fair value of plan assets				
	Fair Value of Plan Assets at beginning of year			66,886	54,658
	Expected Return of Plan Assets			4,633	4,294
	Contributions made	N.A	N.A	54,847	26,475
	Benefits paid			5,117	5,657
	Actuarial gain / (loss) on plan assets			22,933	(12,884)
	Fair Value of Plan Assets at end of year			144,183	66,886
IV	Fair Value of Plan Assets				
	Fair Value of Plan Assets at beginning of year	-	-	66,886	54,658
	Actual Return of plan assets	-	-	27,566	(8,590)
	Contributions made	-	-	54,847	26,475
	Benefit paid	-	-	5,117	5,657
	Fair Value of Plan Assets at end of year	-	-	144,183	66,886
V	Actuarial Gain/(loss) Recognised				
	Actuarial Gain/(loss) for the year ( Obligation)	949	(812)	(11,183)	(23,942)
	Actuarial Gain/(loss) for the year ( Plan Assets)	N.A	N.A	22,933	(12,884)
	Total Gain/(Loss) for the year	949	(812)	11,750	(36,826)
	Actuarial Gain/(loss) Recognised for the year	949	(812)	11,750	(36,826)
	Unrecognised Actuarial Gain /(Loss) at the end of year	NIL	NIL	NIL	NIL
VI	Amounts to be recognised in the balance sheet				
	DBO at the end of year	66,120	55,640	157,534	121,733
	Fair Value of Plan Assets at end of year	N.A	N.A	144,183	66,886
	Funded Status deficit/(surplus)	66,120	55,640	13,351	54,847
	Unrecognised Actuarial Gain /(Loss)	NIL	NIL	NIL	NIL
	Net ( Asset)/Liability recognised in the balance sheet	66,120	55,640	13,351	54,847
VII	Expense Recognised				
	Current Service Cost	17,031	19,635	23,716	17,148
	Interest Cost	2,603	2,786	6,018	5,168
	Expected Return on Plan Assets	N.A	N.A	(4,633)	(4,294)
	Net Actuarial Loss / (Gain) recognised for the year	(949)	812	(11,750)	36,826
	Expense recognised in the statement of P&L A/c	18,685	23,232	13,351	54,847
VIII	Movements in the liability recognised in Balance Sheet				
	Opening Net Liability	55,640	52,024	54,847	26,475
	Expenses as above	18,685	23,232	13,351	54,847
	Benefits paid/Contribution made	8,205	19,617	54,847	26,475
	Closing Net Liability	66,120	55,640	13,351	54,847
IX	Current liability	29,433	24,908	13,351	54,847
	Non current liability	36,687	30,732	-	-
	Closing Net Liability	66,120	55,640	13,351	54,847

Schedules forming part of financial statements

Employee's Benefits – Gratuity Experience Adjustment

	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021
Benefit obligation	36,067	54,781	81,133	121,733	157,534
Fair Value of Plan Assets	21,098	37,548	54,658	66,886	144,183
Funded Status Deficit / (Surplus)	14,969	17,233	26,475	54,847	13,351
Experience Adjustment on plan liabilities (loss)	(10,370)	(10,901)	(16,593)	(19,519)	(9,127)
% of plan liabilities	-28.75%	-19.90%	-20.45%	-16.03%	-5.79%
Experience Adjustment on plan Assets (loss)	1,074	1,385	2,611	(12,884)	22,933
% of plan Assets	5.09%	3.69%	4.78%	-19.26%	15.91%
Actuarial Gain / Loss due to change in Assumptions	(710)	604	(196)	(4,423)	(2,055)

Employee's Benefits – Leave Encashment Experience Adjustment

	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021
Benefit obligation	34,215	49,029	52,024	55,640	66,120
Fair Value of Plan Assets	-	-	-	-	-
Funded Status Deficit / (Surplus)	34,215	49,029	52,024	55,640	66,120
Experience Adjustment on plan liabilities (loss)	(9,179)	(18,481)	(8,361)	1,029	1,741
% of plan liabilities	-26.83%	-37.69%	-16.07%	1.85%	2.63%
Experience Adjustment on plan Assets (loss)	NA	NA	NA	NA	NA
% of plan Assets	NA	NA	NA	NA	NA
Actuarial Gain / (Loss) due to change in Assumptions	(547)	428	(104)	(1,841)	(792)

B Defined Contribution Plan

The Company's employees are covered by Statutory Provident Fund, Employee State Insurance and Employee Labour Welfare Fund to which the Company makes a defined contribution measured as fixed percentage of Salary. During the year amount of ₹ 205,371 thousands (Previous Year ₹ 192,946 thousands) has been charged to Revenue or Profit and Loss Account towards contribution to above schemes/benefits.

23 Deferred Tax

In the presence of the profits during the current and the earlier years/s and certainty of availability of future taxable income, the Company has recognized Deferred Tax Assets of Rs. 421,600 thousands (net of Deferred Tax Liability of Rs. 36,005 thousands) during the current year as detailed below:

	(₹ '000)
<b>Deferred tax assets</b>	<b>As at 31.03.2021</b>
Expenditure covered by section 43B of Income-tax Act, 1961	43,470
Provision for doubtful trade receivables	21,688
Provisions including unexpired risk reserve	392,447
<b>Total Deferred tax assets (A)</b>	<b>457,605</b>
<b>Deferred tax liabilities</b>	
Excess of depreciation/amortization of fixed assets under income-tax law over	(36,005)
<b>Total Deferred tax liability (B)</b>	<b>(36,005)</b>
Net Deferred tax asset (liability) = (A-B)	421,600
<b>Net Deferred tax asset recognized in books of accounts</b>	<b>421,600</b>

24 Earnings Per Share

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

	Particulars	Units	Year ended 31.03.21	Year ended 31.03.20
a	Net profit/(loss) after tax	₹ In '000s	1,022,290	656,540
b	Weighted average of number of equity shares used in computing basic earnings per share	No. of Shares in '000s	812,401	706,234
c	Basic earnings per share (a/b)	₹	1.26	0.93
d	Weighted average of number of potential equity shares	No. of Shares in '000s	10,837	19,774
e	Diluted earnings per share [a/(b+d)]		1.24	0.90

\*For the purpose of calculating weighted average number of potential equity shares, valuation report as on 31st December 2020 has been considered.



Schedules forming part of financial statements

25 Expenses of Management

The company has charged expenses of ₹ 2,402,144 thousands (Previous year ₹ 2,058,894) to Profit and Loss account, being amount in excess of limits prescribed in Schedule I of Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016. Company has made an application to the Authority seeking forbearance from meeting the prescribed limit of Expenses of Management for 5 years i.e. from FY 2020-21 to FY 2024-25. The same is under Authority's kind consideration.

26 Sector Wise Business

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

Business Sector Year ended 31.03.2021	Year ended 31.03.21					
	GDP (₹ '000s)	No. of Lives	No. of Policies	% of GDP	% of No. of Lives	% of No. of policies
Rural	3,128,998	6,217,530	186,024	12.22%	49.84%	13.51%
Social	315,932	5,038,164	29	1.23%	40.38%	0.00%
Total	25,597,536	12,475,977	1,376,812	100.00%	100.00%	100.00%

Business Sector Year ended 31.03.2020	Year ended 31.03.20					
	GDP (₹ '000s)	No. of Lives	No. of Policies	% of GDP	% of No. of Lives	% of No. of policies
Rural	2,148,860	5,162,492	122,566	8.99%	31.42%	11.10%
Social	142,188	3,703,639	492	0.60%	22.54%	0.04%
Total	23,889,867	16,430,443	1,104,069	100.00%	100.00%	100.00%

27 Disclosure of Fire and Marine Revenue accounts:

As the Company operates in single insurance business class viz. Health Insurance Business, the reporting requirements as prescribed by IRDA with respect to presentation of Fire and Marine Insurance revenue accounts are not applicable.

28 Premium Deficiency Reserve

The SARS-CoV-2 virus responsible for COVID-19, which has been declared a Global pandemic by the World Health Organization in 2020, is on increasing trend across the globe including India, and has contributed to a significant decrease in global and local economic activities. Various countries have observed multiple phases of pandemic, with virus mutating variant. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements and as at the date of approval of these financial statements. The company expects to recover the carrying amount of all its assets including investments in its ordinary course of business. In accordance with IRDAI Assets Liability and Solvency Margin Regulations, 2016, Premium Deficiency Reserve (PDR) is to be maintained at insurer level, while the Company needs to calculate PDR at segmental level, however, considering that the COVID-19 is rapidly spreading in the country with second phase on progress since late February, 2021 and by mid of April, 2021 the peak cases were 3 times of the peak cases in the previous phase, Appointed Actuary has advised to build a PDR of Rs. 135.88 Crores, which is also in line with the Company's accounting policy on Premium Deficiency Reserve (PDR).

The Appointed Actuary has estimated this amount for lives which are exposed to risk as on 31st March, 2021 under various indemnity policies of the Company. For estimation of PDR various studies published across countries & India were referred to assume certain proportion of population will get affected, which will result in certain number of hospitalization after taking the effect of effort taken by various government agencies on containment, limitation of medical infrastructure etc. Due weightage was also given to own experience of the Company for Covid-19 claims. These assumptions were used to project number of claims for the Company for the risk exposure as of March'21. Average Severity was estimated, after considering Covid-19 claims experience of the Company. This led to an estimate of total expected claim incurred for the Company pertaining to Covid-19. The Appointed Actuary further varied the various assumptions to create scenarios and selected one of the probable scenario to estimate the expected total claim, which was considered as gross PDR. Further net to gross factor (calculated based on actual data) was applied to estimate the net PDR.

29 Actuarial valuation of claims where claims period exceeds four years

Currently the Company has not underwritten any policy, where the claim payment term exceeds 4 years. Hence, no actuarial valuation is required.

30 Share Capital

Authorized share capital of the company as on 31st March 2021 is ₹ 1,300 crores. The Company has allotted ₹ 113.09 crores worth of equity shares during the year.

31 Penal Actions Details by Various Government Authorities

IRDA circular no 005/IRDA/F&A/CIR/MAY-09 requires disclosure as per given format in respect of penal actions taken by various Government Authorities.

S.No. Authority	(₹ in Lacs)			
	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1 Insurance Regulatory and Development Authority	-	-	-	-
2 Goods and Service Tax Authorities	-	-	-	-
3 Income Tax Authorities*	Non-Compliance	(0.20)	(0.20)	-
4 Any Other Tax Authorities	-	-	-	-
5 Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	-	-	-	-
6 Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	-	-	-	-
7 Penalty awarded by any Court/ tribunal for any matter including claim settlement but excluding Compensation	-	-	-	-
8 Securities and Exchange Board of India	-	-	-	-
9 Competition Commission of India	-	-	-	-
10 Any other Central/State/Local Government/Statutory Authority	-	-	-	-

\*The penalty levied by Income Tax Authority has been reversed by the authority basis the appeal filed by the company.



Schedules forming part of financial statements

32 Summary of Financial Statements:

(₹ in Lacs)

S.No.	Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
<b>OPERATING RESULTS</b>						
1	Gross Premium Written	255,975	240,901	184,327	111,078	72,607
2	Net Earned Premium Income	172,947	150,845	109,120	67,967	48,400
3	Income from Investments (net)	10,595	9,673	7,398	4,375	3,317
4	Other Income	-	-	-	-	-
5	Total Income	183,542	160,518	116,518	72,343	51,717
6	Commission (Net) - Including Brokerage	2,661	(2,217)	(3,142)	(4,132)	(4,303)
7	Operating Expenses	72,104	66,064	53,208	43,408	32,094
8	Net Incurred Claims	95,382	89,194	60,267	35,321	24,451
9	Premium Deficiency	11,142	2,446	-	-	-
10	Change in Unexpired Risk Reserve	25,136	11,757	17,455	14,220	4,320
11	Operating Profit/Loss *	2,253	5,032	6,185	(2,255)	(525)
<b>NON-OPERATING RESULTS</b>						
12	Total Income under Shareholders Account	5,296	1,557	(493)	629	740
13	Profit/(loss) before tax	7,549	6,589	5,692	(1,625)	215
14	Provision for Tax (Net of Mat Credit)	(2,674)	24	-	-	-
15	Profit/(Loss) after tax	10,223	6,565	5,692	(1,625)	215
<b>Miscellaneous</b>						
16	Policyholder's Account:					
	a) Total funds	172,517	123,405	102,322	66,879	42,711
	b) Total Investments					
	c) Yield on Investments	7.3%	8.2%	8.3%	8.1%	9.2%
17	Shareholder's Account:					
	a) Total funds	90,984	54,168	27,844	25,913	17,969
	b) Total Investments					
	c) Yield on Investments	6.8%	6.4%	7.8%	8.0%	8.0%
18	Paid Up Equity Capital	84,104	72,795	68,855	59,483	52,475
19	Net Worth **	103,716	58,542	43,967	27,605	22,287
20	Total Assets(Net)	298,213	200,040	157,138	109,934	74,940
21	Yield on total investments	6.8%	7.8%	8.1%	8.2%	8.8%
22	Earning Per Share (₹)	1.26	0.93	0.87	(0.30)	0.04
23	Book value per Share (₹)	12.33	8.04	6.39	4.64	4.25
24	Total Dividend	-	-	-	-	-
25	Dividend Per share	-	-	-	-	-

\* Does not include amounts transferred from shareholder's account

\*\* Including Fair Value Change Account



Schedules forming part of financial statements

33 Employee Stock Option Plan issued by the Company

Employee Stock Option Scheme 2010

Series	Date of grant	Number Granted	Contractual Life	Vesting Conditions	Exercise Price per option	Estimated fair value of share granted
Series-I	29-Dec-10	1,856,250	4 yrs	20% on expiry of 12 months from grant date	10	10
Series-II	14-Mar-11	12,368,750	4 yrs	20% on expiry of 24 months from grant date		
Series-III	5-Aug-11	1,300,000	4 yrs	40% on expiry of 48 months from grant date		

Employee Stock Option Scheme 2014

Series	Date of grant	Number Granted	Contractual Life	Vesting Conditions	Exercise Price per option	Estimated fair value of share granted
Series-I	28-Jul-14	9,575,000	3 yrs	33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date	10	10
Series-II	27-Apr-15	7,780,000	3 yrs			
Series-III	4-Jul-15	1,983,500	3 yrs			
Series-IV	30-Sep-15	3,111,500	3 yrs			
Series-V	30-Nov-15	2,892,550	3 yrs			
Series-VI	2-Feb-16	2,224,080	3 yrs			
Series-VII	30-Mar-16	1,458,150	3 yrs			
Series-VIII	30-Jun-16	1,843,200	3 yrs			
Series-IX	3-Mar-17	639,600	3 yrs			
Series-X	31-Mar-17	861,120	3 yrs			
Series-XI	31-Jul-18	4,061,707	1 yr	100% on expiry of 12 months from grant date	10	21.85
Series-I	6-Nov-18	28,868,288	3 yrs	33.33% on expiry of 12 months from grant date 33.33% on expiry of 24 months from grant date 33.34% on expiry of 36 months from grant date	21.85	21.85
Series-II	6-Nov-18	17,361,155	3 yrs		10	21.85
Series-III	7-Feb-19	243,160	3 yrs		10	26.1
Series-IV	28-Jun-19	584,584	3 yrs		34.31	34.31
Series-V	19-Nov-19	2,311,376	3 yrs		10	34.31
Series-VI	19-Nov-19	657,979	3 yrs		34.31	34.31
Series-VII - New	14-Aug-20	7,397,625	3 yrs		37.89	37.89

CEO Scheme 2014

Series	Date of grant	Number Granted	Contractual Life	Vesting Conditions	Exercise Price per option	Estimated fair value of share granted
Category-1 (in lieu of surrender of Options granted under 2010 Scheme)	28-Jul-14	2,000,000	1 yr	100% on expiry of 12 months from grant date	10	10
Category-1 (new Grant)	28-Jul-14	2,285,714	3 yrs	33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	28-Jul-14	1,331,250	1 yr	100% on expiry of 12 months from grant date		
Category-3	28-Jul-14	7,500,000		31 Mar'16		
Category-1 (new Grant)	27-Apr-15	1,714,286		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	27-Apr-15	668,750		100% on expiry of 12 months from grant date		
Category-3	27-Apr-15	4,500,000		April 27, 2016		
Category-1 (new Grant)	4-Jul-15	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	4-Jul-15	-		100% on expiry of 12 months from grant date		
Category-3	4-Jul-15	857,143		July 4, 2016		
Category-1 (new Grant)	30-Sep-15	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	30-Sep-15	-		100% on expiry of 12 months from grant date		
Category-3	30-Sep-15	857,143		September 30, 2016		
Category-1 (new Grant)	30-Nov-15	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	30-Nov-15	-		100% on expiry of 12 months from grant date		
Category-3	30-Nov-15	857,143		November 30, 2016		
Category-1 (new Grant)	2-Feb-16	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	2-Feb-16	-		100% on expiry of 12 months from grant date		
Category-3	2-Feb-16	857,143		February 2, 2017		
Category-1 (new Grant)	30-Mar-16	428,571		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2***	30-Mar-16	714,285		100% on expiry of 12 months from grant date		
Category-3	30-Mar-16	857,143		March 30, 2017		
Category-1 (new Grant)	30-Jun-16	407,143		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	30-Jun-16	-		100% on expiry of 12 months from grant date		
Category-3	30-Jun-16	814,286		June 30, 2017		
Category-1 (new Grant)	3-Mar-17	162,297		33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Category-2	3-Mar-17	-		100% on expiry of 12 months from grant date		
Category-3	3-Mar-17	324,593		March 30, 2018		
Category-1 (new Grant)	31-Mar-17	245,145		33% on expiry of 12 months from grant date		
Category-2	31-Mar-17	271,529		100% on expiry of 12 months from grant date		
Category-3	31-Mar-17	490,291		March 31, 2018		
Category-1 (new Grant)	31-Jul-18	471,130		100% on expiry of 12 months from grant date		
Category-2	31-Jul-18	157,043		100% on expiry of 12 months from grant date		
Category-3	31-Jul-18	942,259		July 31, 2019		
Series-I	6-Nov-18	13,224,900	3 yrs	33.33% on expiry of 12 months from grant date	21.85	21.85
Series-II	6-Nov-18	15,561,816	3 yrs	33.33% on expiry of 24 months from grant date	10	21.85
Series-III	7-Feb-19	224,463	3 yrs	33.34% on expiry of 36 months from grant date	10	26.1
Series-IV	28-Jun-19	539,618	3 yrs	33.33% on expiry of 12 months from grant date	34.31	34.31
Series-V	19-Nov-19	2,162,040	3 yrs	33.33% on expiry of 24 months from grant date	34.31	34.31
Series-VI - New	13-Jul-20	3,509,002	1 yrs	November 6, 2021	37.89	37.89
Series-VII - New	13-Jul-20	7,015,898	1 yrs	100% on expiry of 12 months from grant date	37.89	37.89
Series-VIII - New	13-Jul-20	16,633,239	3 yrs	33.33% on expiry of 12 months from grant date	37.89	37.89
Series-IX - New	14-Aug-20	6,210,402	3 yrs	33.33% on expiry of 24 months from grant date 33.34% on expiry of 36 months from grant date	37.89	37.89

Note 1: During the year, valuation has been taken at comparable company method  
Note 2: All the grants mentioned above to be settled in equity only.



Schedules forming part of financial statements

Scheme	Number of Options Outstanding as on April 1st, 2020	Issued During the year	Cancellation of Options due to resignations / surrender 2020-21	Options Exercised 2020-21	Number of Options outstanding as on March 31, 2021	Exercisable as at March 31, 2021
<b>ESOP Scheme 2014</b>						
- Series-I	200,000	-	-	200,000	-	-
- Series-XI	4,061,707	-	-	3,406,512	655,195	655,195
Series-I	28,787,036	-	57,205	1,440,367	27,289,464	17,732,389
Series-II	17,235,824	-	88,238	4,931,632	12,215,954	6,532,046
Series-III	241,054	-	1,994	42,527	196,533	116,927
Series-IV	581,232	-	3,158	8,444	569,630	184,540
Series-V	2,311,376	-	13,247	111,364	2,186,765	655,866
Series-VI	657,979	-	3,770	8,211	645,998	210,202
Series-VII - New	-	7,397,825	60,000	-	7,337,825	-
<b>CEO Scheme 2014</b>						
- Series-II	6,775,100	-	-	6,775,100	-	-
- Series-III	1,285,714	-	-	1,285,714	-	-
- Series-IV	1,285,714	-	-	1,285,714	-	-
- Series-V	1,285,714	-	-	1,285,714	-	-
- Series-VI	1,285,714	-	-	1,285,714	-	-
- Series-VII	1,999,999	-	-	1,999,999	-	-
- Series-VIII	1,221,429	-	-	1,221,429	-	-
- Series-IX	486,890	-	-	486,890	-	-
- Series-X	1,006,965	-	-	1,006,965	-	-
- Series-XI	1,570,432	-	-	1,570,432	-	-
Series-I	13,224,900	-	10,524,900	-	2,700,000	1,799,820
Series-II	15,561,816	-	-	4,872,419	10,689,397	5,501,088
Series-III	224,463	-	-	-	224,463	149,627
Series-IV	539,618	-	-	-	539,618	179,855
Series-V	2,162,040	-	-	-	2,162,040	720,608
Series-VI - New	-	3,509,002	-	-	3,509,002	-
Series-VII - New	-	7,015,898	-	-	7,015,898	-
Series-VIII - New	-	16,633,239	-	-	16,633,239	-
Series-IX - New	-	6,710,402	-	-	6,710,402	-
<b>Total</b>	<b>103,992,716.00</b>	<b>41,266,366</b>	<b>10,752,512</b>	<b>33,225,147</b>	<b>101,281,423</b>	<b>34,438,163</b>

The weighted average remaining contractual life of options outstanding at the 31st March 2021 is 1.17 years

**Key Assumptions used to estimate the fair market value of options granted during the financial year 2020-21 are as below:**

Comparable company multiples and Comparable transaction multiples methodology have been used for computing the fair value of equity shares of the company for the purpose of

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

Had the Company followed fair value method based on Black-Scholes model valuing its options, compensation cost for the year ended would have been higher by Rs. 306,678 thousand (March 31, 2020: Rs. 256,637 thousand) and the profit after tax would have been lower by Rs.164,902 thousand (March 31, 2020: Rs. 256,637 thousand) and the Company's basic and diluted earnings per share would have been Rs. 1.06 (March 31, 2020: Rs. 0.57) and Rs. 1.04 (March 31, 2020: Rs. 0.55) respectively.

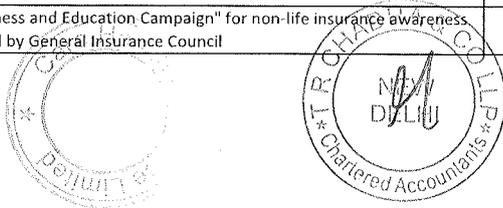
**34 Corporate Social Responsibility:**

During the year ended March 31, 2021 the Company has incurred expenditure towards CSR activities which are as below:

- (a) Gross amount required to be spent by the company during the year was Rs. 7,103 thousand (previous year: Rs. 2,855 thousand)  
(b) Amount spent during the year is Rs. 7,111 thousand (previous year: Rs. 2,855 thousand).

(Rs. in 000's)

Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
(i) Construction/acquisition of any asset	Nil	Nil
(ii) On purposes other than (i) above		
(a) Production of a film to build awareness for the COVID-19 inoculation program as well media costs to televise the same	7,111	Nil
(b) PAN India Insurance Awareness and Education Campaign" for non-life insurance awareness and education which is initiated by General Insurance Council	Nil	2,855



**Care Health Insurance Limited**

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IRDA Registration number 148 dated 26 April, 2012

**Schedules forming part of financial statements****35 Accounting Ratios prescribed by the IRDA**

Performance Ratios	2020-21 (In Times / %)	2019-20 (In Times / %)
Gross Premium Growth Rate - Health	5%	33%
Gross Premium Growth Rate - PA	44%	9%
Gross Premium Growth Rate - Total	7%	31%
Gross Direct Premium to Net Worth	2.47	4.08
Growth Rate of Net Worth	77%	33%
Net Retention Ratio - Health	75%	66%
Net Retention Ratio - PA	94%	94%
Net Retention ratio - Total	77%	67%
Net Commission ratio - Health	0%	-3%
Net Commission ratio - PA	15%	14%
Net Commission Ratio - Total	1%	-1%
Expenses of Management to Gross Direct Premium	42%	38%
Expenses of Management to Net Written Premium	54%	56%
Net Incurred claims to Net Earned Premium	55%	59%
Combined Ratio	93%	98%
Technical Reserves to Net Premium Ratio	0.74	0.60
Underwriting Balance Ratios	-5%	-3%
Operating Profit Ratio	1%	3%
Liquid Assets to Liability Ratio	0.33	0.39
Net Earning Ratio	5%	4%
Return on Net Worth	10%	11%
Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	2.45	1.55
NPA Ratio	NA	NA

**36 Following Expense has been booked for various activities being carried out by Statutory auditors**

(₹ '000)

Particulars	For the Year Ended 31st March 2021	For the Year Ended 31st March 2020
Statutory Audit Fees	3,500.00	3,500.00
Tax Audit	165.00	165.00
Out of Pocket Expenses	32.25	304.15
Certification and INDAS reports etc	925.00	1,040.00
Total	4,622.25	5,009.15



**Schedules forming part of financial statements**

- 37 Reinsurance ceded premium in Treaties with Net Premium rate (Net of Commission and Expense) is calculated by applying risk proportion on gross written premium. Difference between treaty rate and rate as arrived by applying risk proportion is recognised as Reinsurance Commission.
- 38 **Provision for Free Look period**  
 The provision for free look period is duly certified by the appointed actuary
- 39 **Fair Value Change Account**  
 Fair Value Change Account represents unrealized gains or losses due to change in fair value of listed equity shares and mutual fund units outstanding at the close of the year.
- 40 **Allocation of Investment Income**  
 Investment income is recognized in Profit & Loss Account and Revenue account based on income generated against investments representing securities in policyholder and shareholder's fund.
- 41 **Allocation of Expenses**  
 All Operating Expenses except for Medical charges policy issuance as mentioned in Schedule 4 - " Operating Expenses related to Insurance business" have been allocated between Health and PA in the proportion of Net Premium of respective business
- 42 The amount of foreign exchange (loss)/gain booked in Profit and Loss account is (10,094) thousands [Previous year (5,649) thousands].
- 43 The figures have been rounded off to the nearest thousand, and the Previous year's figures have been regrouped / reclassified in the respective schedules and notes, wherever necessary to conform to the current year's classifications.
- 44 **Basis of Amortization of Debt Securities**  
 Accretion of discount and amortization of premium relating to debt securities is recognized over the holding/maturity period on a straight line basis and is recognized in the Revenue or Profit & Loss Account.
- 45 There is no other additional material information required to be disclosed pursuant to the provisions of the Companies Act 2013, The Insurance Act 1938, the insurance Regulatory and Development Authority Act 1999 and applicable regulation / circular / Orders etc.

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

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

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



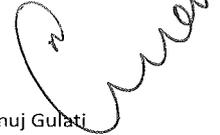
Hitesh Garg  
 Partner  
 Membership No. :502955



Pawan K Gupta  
 Partner  
 Membership No. : 092529



Dr. Rashmi Saluja  
 Non-Executive Chairperson  
 (DIN 01715298)



Anuj Gulati  
 Managing Director & CEO  
 (DIN 00278955)



Shamsher Singh Mehta  
 Non-Executive  
 Independent Director  
 (DIN 02201929)



Pankaj Gupta  
 Chief Financial Officer



Pratik Kapoor  
 Company Secretary



Ambrish Jindal  
 Head-Finance & Accounts

Place: Gurugram  
 Date: 15<sup>th</sup> June, 2021

## Care Health Insurance Limited

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IRDA Registration number 148 dated 26 April, 2012



### Management Report

In accordance with the provisions of the Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulation) Management Report is submitted for the year ended 31<sup>st</sup> March 2021 :

1. Section 3A of the Insurance Act, 1938 has been amended by the Insurance Laws (Amendment) Act, 2015 to remove the process of annual renewal of the Certificate of Registration issued to Insurers under Section 3 of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015). However, it has been stated that Insurers shall continue to pay such annual fee as may be prescribed by the Regulations. Insurance Regulatory Development Authority of India ("IRDAI") in line with the above amendment issued a general circular stating that Certificate of Registration of the Insurers renewed in 2014, expiring in March 2015, shall continue to be in force from April 1, 2015 subject to payment of renewal fee. It is confirmed that renewal fees for FY 2021-22 has been paid.
2. It is certified that all the dues payable to the statutory authorities up to 31<sup>st</sup> March 2021 have been duly paid.
3. It is confirmed that the shareholding pattern during the year ended 31<sup>st</sup> March 2021 is in accordance with the statutory and regulatory requirements.
4. It is hereby declared that management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. The Company is maintaining the Control Level of Solvency as required under the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and the relevant Regulation as prescribed by the IRDAI.
6. It is certified that the values of all the assets have been reviewed on the date of Balance Sheet and in management's belief, the assets set forth in the Balance sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the heading – "Loans", "Investments", (wherever applicable) "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents Outstanding", "Interest", "Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "other Accounts".
7. The Investment Risk is managed by creating a portfolio of different asset classes and of varied maturities so as to spread the risk across a wide category of Investee companies. The Company has constituted an Investment Committee, which acts as the policy making body for the Investment operations. The Investment Committee lays down various internal policies and norms governing the functioning of the Investment Department. The Investment Committee periodically discusses the Investment strategy, portfolio structures, performance of the portfolio and related issues. The Investment policy is reviewed regularly in order to align the same with the Company business plans.

## Care Health Insurance Limited

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8. It is confirmed that there were no operations of the Company outside India during the year ended 31<sup>st</sup> March 2021.

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

a) Details of Claims Outstanding during the preceding five years

Period	2020-21		2019-20		2018-19		2017-18		2016-17	
	No. of Claims	₹ in Lakhs								
30 Days	8,996	9,713	4,825	6,576	1,458	3,842	2,327	2,302	2,514	1,916
30 Days to 6 Months	6,101	8,921	2,599	2,846	3,477	4,035	2,517	2,487	2,449	1,376
6 Months to 1 Year	-	-	844	1,544	658	1,249	121	197	581	574
1 Year to 5 Years	-	-	-	-	-	-	-	-	-	-
5 Years and Above	-	-	-	-	-	-	-	-	-	-
Total	15,097	18,634	8,268	10,966	5,593	9,126	4,965	4,985	5,544	3,865

Note:

- All Cashless Claims Outstanding are shown in settled as the Customer has already availed the service and the payment will be done to the hospital according to the terms of the Agreement, reimbursement are part of above summary report.
- Amount excluding IBNR provisions, amounts payable to third party administrators.

b) Details of Average Claim Settlement time for the preceding five years

	2020-21		2019-20		2018-19		2017-18		2016-17	
	No. of claims settled	Average time	No. of claims settled	Average time	No. of claims settled	Average time	No. of claims settled	Average time	No. of claims settled	Average time
Cashless (Approved)	202,739	01 Hour 40 Min	891,951	01 Hour 25 Min	567,548	01 Hour 50 Min	182,050	02 Hour	122,443	02 Hour 14 Min
Reimbursement (Settled)	89,020	06 Days	91,697	05 Days	81,065	06 Days	42,833	09 Days	24,504	10 Days
Total	291,759		983,648		648,613		224,883		146,947	

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

## Care Health Insurance Limited

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10. As at 31<sup>st</sup> March 2021, the investments of the Company are mainly in Debt Securities, Bank Deposits, equity shares and Mutual Funds. As per the IRDA guidelines, all debt securities are considered as held to maturity and valued at historical cost subject to amortization, listed equity shares at market value and Mutual Fund investments are stated at their fair value, being the closing Net Asset Value as at balance sheet date and investments other than those mentioned above are valued at cost. Further, the market value for debt securities as at 31<sup>st</sup> March 2021 has been calculated as per Fixed Income Money Market & Derivatives Association (FIMMDA) Yield curve and financial benchmark India Pvt. Ltd (FBIL).
11. Investments are in accordance with the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and Investment Regulations, 2016. Investment Portfolio consists of Government Securities & State Government Securities (Sovereign Guarantee), Infrastructure Bonds, Housing Sector Bonds, Corporate Bonds, Liquid Mutual Funds, listed/unlisted equity shares and Deposits with various Scheduled Banks. There is no Non Performing Asset as at 31<sup>st</sup> March 2021.
12. In compliance with corporate governance guidelines for insurers in India 2016, below are disclosures as mandated by guidelines.

a. Financial and operating ratios:

Particulars	For the Year ended 31st March, 2021
Net Incurred Claims to Net Earned Premium ratio	55%
Net commission to Net written premium ratio	1%
Expense of Management to net Written Premium ratio	54%

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

b. Solvency ratio:

	₹ Lakhs
Total Available Solvency Margin (ASM)	96,996
Total Required Solvency Margin (RSM)	39,617
Solvency Ratio (Total ASM/Total RSM)	2.45

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

c. Financial performance :

Particulars	For the Year ended 31st March, 2021
Gross Premium Growth Rate	7%
Growth rate of Net Worth	77%
Net worth as on 31 <sup>st</sup> march 21	₹ 103,716 Lakhs

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

## Care Health Insurance Limited

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### d. Risk Management architecture

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

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

Claims Experience	Health	Overseas Travel	Personal Accident	Total
Claims O/S at the beginning of the period	6,710	886	672	8,268
Claims Reported during the period	326,954	2,052	1,891	330,897
Claims Settled during the period	289,064	1,595	1,100	291,759
Claims Repudiated during the period	30,451	1,089	769	32,309
Claims Closed during the period	0	0	0	0
Claims O/S at End of the period *	14,149	254	694	15,097
Less than 3 months	12,823	166	521	13,510
3 months to 6 months	1,326	88	173	1,587
6 months to 1 year	0	0	0	0
1 year and above	0	0	0	0

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

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

Particulars	(₹ Lakhs)
	As at 31.03.2021
Salaries & Allowances	1,840
Contribution to Provident and other funds	83
Perquisites	3

## Care Health Insurance Limited

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IRDA Registration number 148 dated 26 April, 2012



### g. Payments made to group entities from policyholders funds

(₹ Lakhs)

S. No	Name of the Related Party	Nature of Relationship with the Company	Description of Transactions / Categories	As at 31st March 2021
1	Religare Enterprises Limited	Holding Company	Expense Reimbursement to Religare Enterprises Limited	208
			Purchase of Fixed Assets	3
			Receipt/Refund of Premium	(0.02)
2	Religare Finvest Limited	Fellow Subsidiary	Receipt/Refund of Premium	(0.05)
3	Religare Broking Limited	Fellow Subsidiary	Commission Expenses	123
			Receipt/Refund of Premium	(5)

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

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

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

### 14. It is hereby confirmed:

- a. That the Financial Statements have been prepared in accordance with generally accepted accounting principles and policies, applicable accounting standards and current practices prevailing in the insurance industry and there are no material departures.

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

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

- b. That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and Companies Act 2013 (erstwhile

## Care Health Insurance Limited

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IRDA Registration number 148 dated 26 April, 2012



Companies Act 1956) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- c. The Authority vide circular under reference IRDA/F&A/CIR/ACTS/023/01/2020 dated January 21, 2020 has notified that the effective date of implementation of Ind AS shall be decided after the finalization of IFRS 17 by International Accounting Standards Board (IASB).
- d. That the management has prepared the financial statements on a going concern basis.
- e. That the management has ensured that the internal audit system is in commensurate with the size and nature of business and is operating effectively.
- f. That the Company has a separate function called Fraud and Risk Investigation, to safeguard the assets for preventing and detecting fraud and other irregularities.

For and on behalf of Board of Directors

Handwritten signature of Dr. Rashmi Saluja in black ink.

Dr. Rashmi Saluja  
Non-Executive Chairperson  
(DIN 01715298)

Handwritten signature of Anuj Gulati in black ink.

Anuj Gulati  
Managing Director & CEO  
(DIN 00278955)

Handwritten signature of Shamsheer Singh Mehta in black ink.

Shamsheer Singh Mehta  
Non-Executive  
Independent Director  
(DIN 02201929)

Handwritten signature of Pankaj Gupta in black ink.

Pankaj Gupta  
Chief Financial Officer

Handwritten signature of Pratik Kapoor in black ink.

Pratik Kapoor  
Company Secretary

Handwritten signature of Ambrish Jindal in black ink.

Ambrish Jindal  
Head-Finance & Accounts

Place: Gurugram  
Date: 15<sup>th</sup> June, 2021

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**Care Health Insurance Limited**

(Formerly Religare Health Insurance Company Limited)

Registered Office: 5th Floor, 19 Chawla House, Nehru Place, New Delhi-110019

Correspondence Office: Unit No. 604 - 607, 6th Floor, Tower C, Unitech Cyber Park, Sector-39,  
Gurugram -122001 (Haryana) CIN: U66000DL2007PLC161503

IRDAI Registration Number - 148