

21<sup>st</sup> December 2020

<b>The Manager</b> Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400051	<b>The General Manager</b> Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
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Dear Sir/Madam,

**Sub: Half-yearly Financial Results under Regulation 52 of SEBI (LODR) Regulations, 2015**

**Ref: ISIN INE168X08014 - Security Name: 8.35% National Insurance Company Limited 2027**

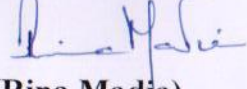
We wish to inform you that the Board of Directors of the Company at its meeting held today (i.e., 21<sup>st</sup> December 2020) has considered and approved the Unaudited Financial Results of the Company for the Half-year ended 30<sup>th</sup> September, 2020. Pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, we enclose a copy of the Half-yearly Financial Results along with the Limited Review Report for your information and record.

Further, the submission of information/documents as specified under Regulation 52(4) & 52(5) of SEBI (LODR) Regulations 2015 is **not** applicable to the Company since the Company has issued non-convertible debentures and is a financial entity regulated by IRDAI.

Thanking you,

Yours faithfully,

**For National Insurance Company Limited**



(Rina Madia)

**Company Secretary & Compliance Officer**

Encl: Unaudited Financial Results for the half-year ended 30.09.2020





DE&BOSE  
Chartered Accountants  
8/2, Kiron Shankar Roy Road  
2<sup>nd</sup> Floor, Room 1&18  
Kolkata - 700 001  
Tel: 033-22485039, 22434864  
Mail: deandbose1956@gmail.com

GUHA NANDI & CO.  
Chartered Accountants  
Commerce House  
5<sup>th</sup> Floor, Room 8D & E  
2A, Ganesh Chandra Avenue  
Kolkata - 700 013  
Tel: 033-22132929, 22132930  
Mail: guhanandi@gmail.com

**REPORT ON LIMITED REVIEW OF INTERIM FINANCIAL INFORMATION  
FOR THE HALF YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2020**

To  
The Board of Directors,  
**National Insurance Company Limited**

We have reviewed the accompanying Balance Sheet of **National Insurance Company Limited** as of September 30, 2020 and the related Fire, Marine & Miscellaneous Revenue Accounts and Profit & Loss Account and Receipts & Payments Account for the half year then ended and other explanatory notes thereon (herein after called "interim financial information"), in which are incorporated Reinsurance, Investment, Funds and Head Office accounts reviewed by us and non-reviewed returns of 2 foreign branches, 33 Regional Offices and 383 Divisions including Business Hubs as certified by the Management. This interim financial information is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report thereon based on our review.

**Scope of Review**

We conducted our review of the interim financial information in accordance with the Standard on Review Engagements (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Basis for Qualified Conclusion**

Balances due to/from persons/bodies carrying on Insurance/reinsurance business, net debit balance of inter office accounts, advances recoverable, sundry debtors/creditors, GST input tax credits are subject to confirmations and/or reconciliations (Refer Note 6 of interim financial information). Consequential impact of adjustments, if any, that may arise upon their reconciliations and/or confirmations on revenue accounts, profit and loss account, reserves and surplus and assets and liabilities as on 30-09-2020 is not ascertainable.





### Qualified Conclusion

Based on our review, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the state of affairs of the Company as at 30<sup>th</sup> September, 2020 and of its results of operations and its receipts and payments for the half year then ended in accordance with applicable accounting standards; accounting and presentation principles as prescribed by the Insurance Act, 1938; the Insurance Regulatory and Development Authority Act, 1999 and IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002; and other recognized accounting practices and policies generally accepted in India.

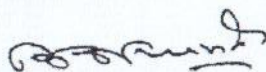
### Emphasis of Matter

We draw attention to:

- a) Note 4 of the interim financial information regarding amortization and deferment of Pension liability by Rs.15,77,616 thousand and Rs.47,32,848 thousand respectively as granted by the IRDAI.
- b) Note 9 of the interim financial information regarding available solvency ratio being less than required solvency ratio of 1.5.
- c) Note 12 of the interim financial information regarding change in accounting policy to recognize liability of Rs.1,50,000 thousand for compensated absence for sickness of the employees.

Our opinion is not modified in respect of these matters.

**For Guha Nandi & Co.**  
Chartered Accountants  
FRN: 302039E



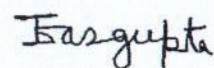
**(CA. Dr. B. S. Kundu)**  
Partner  
M. No - 051221  
UDIN: 20051221AAAAAP4786

Place: Kolkata

Date: 21<sup>st</sup> December, 2020



**For De & Bose**  
Chartered Accountants  
FRN: 302175E



**(CA. Tarit Dasgupta)**  
Partner  
M. No - 053380  
UDIN: 20053380AAAAAS4947





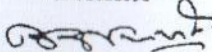
FIRE REVENUE ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2020

Particulars	Schedule	30-09-2020	30-09-2019	2019-20
		Unaudited (Rs. '000)	Unaudited (Rs. '000)	Audited (Rs. '000)
1. Premiums earned (Net)	1A	47,22,464	37,39,884	65,23,146
2. Profit/Loss on sale/redemption of Investments		2,67,737	2,60,777	5,25,683
3. Others:				
Exchange Gain		-	-	-
Contribution from Shareholders Funds towards excess EoM		-	-	10,73,329
4. Interest, Dividend & Rent - Gross		5,61,422	6,06,701	11,90,799
<b>Total (A)</b>		<b>55,51,623</b>	<b>46,07,362</b>	<b>93,12,957</b>
1. Claims Incurred (Net)	2A	30,13,950	28,16,581	50,30,116
2. Commission	3A	5,24,655	4,82,013	9,11,411
3. Operating Expenses related to Insurance Business	4	13,25,220	13,02,910	33,27,002
4. Others:				
Exchange loss		-	-	-
Provision for diminution in the value of Investments, amortisation of Premium on investments, and amount written off in respect of depreciated investments		29,124	46,534	1,95,545
<b>Total (B)</b>		<b>48,92,949</b>	<b>46,48,038</b>	<b>94,64,074</b>
Operating Profit/-Loss from Fire Business <b>C = (A - B)</b>		<b>6,58,674</b>	<b>-40,676</b>	<b>-1,51,117</b>
Appropriations:				
Transfer to Shareholders' Account		6,58,674	-40,676	-1,51,117
Transfer to Catastrophe Reserve		-	-	-
Transfer to Other Reserves		-	-	-
<b>Total (C)</b>		<b>6,58,674</b>	<b>-40,676</b>	<b>-1,51,117</b>

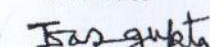
In terms of our Limited Review Report of even date

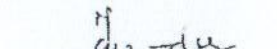
For and on behalf of the Board of Directors

For Guha Nandi & Co.  
Chartered Accountants  
FRN: 302039E

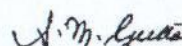
  
(CA. Dr. B. S. Kundu)  
Partner  
M. No - 051221

For De & Bose  
Chartered Accountants  
FRN: 302175E

  
(CA. Tarit Dasgupta)  
Partner  
M. No - 053380

  
Tajinder Mukherjee  
Chairman-Cum-Managing Director  
DIN: 08227563

  
Sanjay Choudha  
Director  
DIN: 08368448

  
S M Geetha  
Chief Financial Officer

  
Rina Madia  
Company Secretary



Place: Kolkata  
Date: 21st December, 2020





FORM B-RA  
NATIONAL INSURANCE COMPANY LIMITED  
IRDA Registration No. 58 renewed on 28th January, 2020  
CIN: U10200WB1906G01001713

MARINE REVENUE ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2020

Particulars	Schedule	30-09-2020	30-09-2019	2019-20
		Unaudited (Rs. '000)	Unaudited (Rs. '000)	Audited (Rs. '000)
1. Premiums earned (Net)	18	6,75,604	7,68,645	15,32,595
2. Profit/Loss on sale/redemption of Investments		45,116	40,665	81,973
3. Others:				
Exchange Gain				
Contribution from Shareholders Funds towards excess EoM				61,587
4. Interest, Dividend & Rent - Gross		94,604	94,607	1,85,689
Total (A)		8,15,324	9,03,917	18,61,844
1. Claims Incurred (Net)	2B	8,67,523	4,96,123	7,72,856
2. Commission	3B	51,198	55,419	86,538
3. Operating Expenses related to Insurance Business	4	1,12,417	1,69,185	4,73,196
4. Others:				
Exchange Loss				
Provision for diminution in the value of Investments, amortisation of Premium on investments, and amount written off in respect of depreciated Investments		4,908	7,256	30,493
Total (B)		10,36,046	7,27,983	13,63,083
Operating Profit/ - Loss from Marine Business C = (A - B)		-2,20,722	1,75,934	4,98,761
Appropriations:				
Transfer to Shareholders' Account		-2,20,722	1,75,934	4,98,761
Transfer to Catastrophe Reserve				
Transfer to Other Reserves				
Total (C)		-2,20,722	1,75,934	4,98,761

In terms of our Limited Review Report of even date

For and on behalf of the Board of Directors

For Guha Nandi & Co.  
Chartered Accountants  
FRN: 302039E

*[Signature]*  
(CA. Dr. B.S. Kundu)  
Partner  
M. No - 051221

For De & Bose  
Chartered Accountants  
FRN: 302175E

*[Signature]*  
(CA. Tarit Dasgupta)  
Partner  
M. No - 053380

*[Signature]*  
Tajinder Mukherjee  
Chairman-Cum-Managing Director  
DIN: 08227563

*[Signature]*  
Sanjiv Chadha  
Director  
DIN: 08368448

*[Signature]*  
S M Geetha  
Chief Financial Officer

*[Signature]*  
Rina Madia  
Company Secretary



Place: Kolkata  
Date: 21st December, 2020





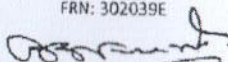
MISCELLANEOUS REVENUE ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2020

Particulars	Schedule	30-09-2020	30-09-2019	2019-20
		Unaudited (Rs. '000)	Unaudited (Rs. '000)	Audited (Rs. '000)
1. Premiums earned (Net)	1C	5,03,30,854	4,48,29,973	8,87,71,408
2. Profit/Loss on sale/redemption of Investments		34,50,088	26,31,108	53,03,874
3. Others:				
Exchange Gain		-	2,887	-
Contribution from Shareholders Funds towards excess EoM		-	-	1,14,81,461
4. Interest, Dividend & Rent - Gross		72,34,537	61,21,300	1,20,14,547
Total (A)		6,10,15,479	5,35,85,268	11,75,71,290
1. Claims Incurred (Net)	2C	3,57,75,203	4,61,85,722	9,66,96,503
2. Commission	3C	33,23,737	30,40,484	70,43,690
3. Operating Expenses related to Insurance Business	4	1,51,29,907	1,29,78,688	4,00,79,923
4. Others:				
Exchange Loss		-	-	-
Provision for diminution in the value of Investments, amortisation of Premium on investments, and amount written off in respect of depreciated investments		3,75,299	4,69,501	19,72,950
Total (B)		5,46,04,146	6,26,74,395	14,57,93,066
Operating Profit/ - Loss from Miscellaneous Business C = (A - B)		64,11,333	-90,89,127	-2,82,21,776
Appropriations:				
Transfer to Shareholders' Account		64,11,333	-90,89,127	-2,82,21,776
Transfer to Catastrophe Reserve		-	-	-
Transfer to Other Reserves		-	-	-
Total (C)		64,11,333	-90,89,127	-2,82,21,776

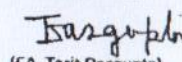
In terms of our Limited Review Report of even date

For and on behalf of the Board of Directors

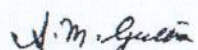
For Guha Nandi & Co.  
Chartered Accountants  
FRN: 302039E


  
(CA. Dr. B.S. Kundu)  
Partner  
M. No - 051221

For De & Bose  
Chartered Accountants  
FRN: 302175E

  
(CA. Tarit Dasgupta)  
Partner  
M. No - 053380

  
Tajinder Mukherjee  
Chairman-Cum-Managing Director  
DIN: 8227563  
  
Sanjit Chhadha  
Director  
DIN: 08368448

  
S M Geetha  
Chief Financial Officer

  
Rina Madia  
Company Secretary



Place: Kolkata  
Date: 21st December, 2020





PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2020

Particulars	Schedule	30-09-2020 Unaudited (Rs. '000)	30-09-2019 Unaudited (Rs. '000)	2019-20 Audited (Rs. '000)
<b>1. OPERATING PROFIT/LOSS</b>		<b>68,49,285</b>	<b>-89,53,869</b>	<b>-2,78,74,132</b>
(a) Fire Insurance		6,58,674	-40,675	-1,51,117
(b) Marine Insurance		-2,20,712	1,75,934	4,98,761
(c) Miscellaneous Insurance		64,11,333	-90,89,127	-2,82,21,776
<b>2. INCOME FROM INVESTMENTS</b>		<b>-</b>	<b>99,957</b>	<b>2,00,979</b>
(a) Interest, Dividend & Rent - Gross		-	77,000	1,54,701
(b) Profit on sale of investments		-	22,957	46,278
Less: Loss on sale of investments		-	-	-
<b>3. OTHER INCOME</b>		<b>2,84,815</b>	<b>72,167</b>	<b>1,56,021</b>
(a) Profit on sale of other asset		1,522	10	2,602
(b) Miscellaneous Income		2,83,293	62,029	89,733
(c) Exchange Gain		-	10,118	63,686
(d) Others		-	-	-
<b>Total (A)</b>		<b>71,34,100</b>	<b>-87,81,745</b>	<b>-2,75,17,132</b>
<b>4. PROVISIONS (Other than taxation)</b>		<b>19,00,000</b>	<b>3,392</b>	<b>1,90,893</b>
(a) For diminution in the value of investments		-	3,392	15,665
(b) For doubtful debts		19,00,000	-	1,75,228
(c) Others		-	-	-
<b>5. OTHER EXPENSES</b>		<b>3,91,438</b>	<b>3,76,037</b>	<b>1,33,75,334</b>
(a) Expenses other than those related to Insurance Business		197	18	9,894
(b) Bad debts written off		-	-	-
(c) Others:		-	-	-
Amortisation of Premium on Investments		-	704	1,466
Amount written off in respect of depreciated Investments		-	-	84
Exchange Loss		15,648	-	-
Assets written off		25	14	16
Loss on Sale on Asset		-	345	3
Interest on Debentures		3,74,686	3,74,686	7,47,325
Debtore Related Expenses		882	144	169
Contribution to Policyholders funds towards excess EoM		-	-	1,26,16,377
Corporate Social Responsibility Expenses		-	126	-
Other Misc Expenses		-	-	-
<b>Total (B)</b>		<b>22,91,438</b>	<b>3,79,429</b>	<b>1,35,66,227</b>
<b>Profit/- Loss before tax</b>		<b>48,42,662</b>	<b>-91,61,174</b>	<b>-4,10,83,359</b>
Provision for Taxation		-	-	-
Adjustment of taxation for Earlier Years		3,254	-	-1,631
<b>Profit/- Loss after Tax</b>		<b>48,39,408</b>	<b>-91,61,174</b>	<b>-4,10,81,728</b>
<b>Appropriations:</b>		<b>28,556</b>	<b>-5,29,260</b>	<b>-4,92,587</b>
(a) Interim dividends paid during the year		-	-	-
(b) Proposed Final Dividend		-	-	-
(c) Dividend Distribution tax		-	-	-
(d) Transfer to/from General Reserve		-	-5,65,503	-5,65,503
(e) Transfer to Unclaimed Policyholders Funds		28,556	36,243	72,995
<b>Balance of profit/- loss brought forward from last year</b>		<b>-4,05,90,852</b>	<b>-</b>	<b>-</b>
<b>Balance carried forward to Balance Sheet</b>		<b>-3,57,80,000</b>	<b>-86,31,914</b>	<b>-4,05,90,852</b>
Basic earnings per share of Rs. 10 face value		1.58	-91.61	-238.67
Diluted earnings per share of Rs. 10 face value		1.58	-91.61	-238.67

In terms of our Limited Review Report of even date

For and on behalf of the Board of Directors

For Guha Nandi & Co.  
Chartered Accountants  
FRN: 302039E

(CA. Dr. B.S. Kundu)  
Partner  
M. No - 051221

For De & Bose  
Chartered Accountants  
FRN: 302175E

(CA. Tarit Dasgupta)  
Partner  
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Tajinder Mukherjee  
Chairman-Cum Managing Director  
DIN: 08227563

Rajiv Chandra  
Director  
DIN: 08368448

S M Geetha  
Chief Financial Officer

Rina Madia  
Company Secretary



Place: Kolkata  
Date: 21st December, 2020



BALANCE SHEET AS AT 30TH SEPTEMBER, 2020

Particulars	Schedule	As at 30.09.2020 Unaudited (Rs. '000)	As at 30.09.2019 Unaudited (Rs. '000)	As at 31.03.2020 Audited (Rs. '000)
<b>SOURCES OF FUNDS</b>				
SHARE CAPITAL	5	4,17,80,000	10,00,000	2,50,00,000
RESERVES AND SURPLUS	6	1,42,641	1,95,760	1,46,569
FAIR VALUE CHANGE ACCOUNT - SHAREHOLDERS FUNDS		-14,425	2,51,144	
FAIR VALUE CHANGE ACCOUNT - POLICYHOLDERS FUNDS		-27,23,697	1,35,57,135	-1,65,72,165
BORROWINGS	7	89,50,000	89,50,000	89,50,000
<b>TOTAL</b>		<b>4,81,04,519</b>	<b>2,39,54,039</b>	<b>1,75,24,404</b>
<b>APPLICATION OF FUNDS</b>				
INVESTMENTS - SHAREHOLDERS FUNDS	8	13,72,955	42,01,566	
INVESTMENTS - POLICYHOLDERS FUNDS	8A	25,92,34,031	22,68,07,226	22,05,21,251
LOANS	9	3,68,004	3,89,107	3,68,593
FIXED ASSETS	10	38,45,839	35,34,382	37,20,619
CURRENT ASSETS				
Cash and Bank Balances	11	1,62,54,153	68,58,725	69,84,621
Advances and Other Assets	12	8,91,20,781	8,13,48,941	7,73,10,819
Sub-Total (A)		10,53,74,934	8,82,07,666	8,42,95,440
CURRENT LIABILITIES	13	30,17,13,698	25,74,04,238	28,73,19,407
PROVISIONS	14	6,08,90,394	5,04,13,584	5,09,63,408
Sub-Total (B)		36,26,04,092	30,78,17,822	33,82,82,815
<b>NET CURRENT LIABILITIES (C) = (A-B)</b>		<b>-25,72,29,158</b>	<b>-21,96,10,156</b>	<b>-25,39,87,375</b>
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	15	47,32,848		63,10,464
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT		3,57,80,000	86,31,914	4,05,90,852
<b>TOTAL</b>		<b>4,81,04,519</b>	<b>2,39,54,039</b>	<b>1,75,24,404</b>

CONTINGENT LIABILITIES

Particulars	As at 30.09.2020 (Rs. '000)	As at 30.09.2019 (Rs. '000)	As at 31.03.2020 (Rs. '000)
1. Partly paid-up Investments	4,181	4,181	4,181
2. Claims, other than against policies, not acknowledged as debts by the Company	5,78,023	5,46,240	5,78,023
3. Underwriting commitments outstanding (in respect of shares and securities)	-	-	-
4. Guarantees given by or on behalf of the Company	72,661	11,942	72,661
5. Statutory demands/liabilities in dispute, not provided for	1,20,54,023	81,92,809	1,20,54,023
6. Reinsurance obligations to the extent not provided for in Accounts	-	-	-
7. Others - Policyholders unclaimed amount transferred to Senior Citizen Welfare Fund	82,407	57,261	82,407
8. Others - Claims, under policies, not acknowledged as debts	-	64,988	-
<b>TOTAL</b>	<b>1,27,91,295</b>	<b>88,77,421</b>	<b>1,27,91,295</b>

In terms of our Limited Review Report of even date

For and on behalf of the Board of Directors

For Guha Nandi & Co.  
Chartered Accountants  
FRN: 302039E

(CA. Dr. B.S. Kundu)  
Partner  
M. No - 051221

For De & Bose  
Chartered Accountants  
FRN: 302175E

(CA. Tarit Dasgupta)  
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Tajinder Mukherjee  
Chairman-Cum-Managing Director  
DIN: 227563

Rina Madia  
Director  
DIN: 08368448

S.M. Geetha  
Chief Financial Officer

Rina Madia  
Company Secretary



Place: Kolkata  
Date: 21st December, 2020



**RECEIPTS AND PAYMENTS ACCOUNT FOR THE HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2020**

		Rs. '000		
Particulars		As at 30.09.2020	As at 30.09.2019	As at 31.03.2020
		Unaudited	Unaudited	Audited
<b>A.</b>	<b>Cash flows from Operating Activities:</b>			
1	Premium received from policyholders, (including advance receipts)	7,27,74,234	7,54,99,855	15,51,69,082
2	Other receipts	41,99,114	72,55,963	75,77,463
3	Receipts/Payments from/to the re-insurers, net of commissions and claims	-29,09,327	-79,04,896	-1,34,23,267
4	Receipts/Payments from/to co-insurers, net of claims recovery	43,02,083	-12,08,819	-3,06,363
5	Payments of claims	-3,74,71,582	-6,88,41,356	-12,10,63,494
6	Payments of commission and brokerage	-38,95,308	-35,83,944	-1,00,92,856
7	Payments of other operating expenses	-1,35,66,845	-1,20,28,818	-2,30,93,652
8	Preliminary and pre-operative expenses	-	-	-
9	Deposits, advances and staff loans (including House building Loan)	-1,25,384	-1,55,252	-1,87,268
10	Income taxes paid (Net) (Including Wealth Tax)	-	-4,177	-
11	Service tax/GST paid	-55,98,235	-52,00,053	-1,17,60,458
12	Other payments	-74,78,105	-59,24,750	-43,01,898
13	Cash flows before extraordinary items	1,02,30,645	-20,96,245	-2,14,82,711
14	Cash flow from extraordinary operations	-	-	-
15	Net cash flow from operating activities (A)	1,02,30,645	-20,96,245	-2,14,82,711
<b>B.</b>	<b>Cash flows from Investing Activities:</b>			
1	Purchase of fixed assets	-3,212	-29,652	-37,541
2	Proceeds from sale of fixed assets	13,761	15,254	7,861
3	Purchases of investments (Other than money market Instruments & liquid mutual	-10,13,39,456	-4,17,71,281	-7,74,01,494
4	Loans disbursed	-6,421	-27,956	-
5	Sales of investments	19,29,50,730	14,61,44,562	28,61,54,849
6	Repayments received	589	6,745	13,157
7	Rents/Interests/Dividends received	64,27,176	71,13,144	1,31,88,879
8	Investments in money market instruments and in liquid mutual funds	-11,57,45,811	-11,55,77,400	-22,98,10,100
9	Expenses related to investments	-197	-17	-25
10	Net cash flow from investing activities (B)	-1,77,02,841	-41,26,600	-78,84,414
<b>C.</b>	<b>Cash flows from Financing Activities:</b>			
1	Proceeds from issuance of share capital	1,67,50,000	-	2,40,00,000
2	Proceeds from borrowing	-	-	-
3	Repayments of borrowing	-	-	-
4	Interest / dividends (including dividend distribution tax) paid	-	-	-7,47,325
5	Net cash flow from financing activities (C)	1,67,50,000	-	2,32,52,675
<b>D.</b>	<b>Effect of Foreign Exchange rates on Cash &amp; Cash Equivalents, net (due to translation of assets and liabilities)</b>	-8,272	-1,707	15,794
<b>E.</b>	<b>Net increase in Cash &amp; Cash Equivalents: (A+B+C+D)</b>	92,69,532	-62,24,552	-60,98,656
1	<b>Cash and cash equivalents at the beginning of the half year</b>	69,84,621	1,30,83,277	1,30,83,277
a.	Cash (including cheques, drafts and stamps)	57,929	15,69,338	15,69,338
b.	Bank balances (including short term deposits)	68,51,189	1,15,12,059	1,15,12,059
c.	Remittances in transit	75,503	1,880	1,880
2	<b>Cash and cash equivalents at the end of the half year</b>	1,62,54,153	68,58,725	69,84,621
a.	Cash (including cheques, drafts and stamps)	1,09,297	2,24,826	57,929
b.	Bank balances (including short term deposits)	1,61,44,566	66,17,754	68,51,189
c.	Remittances in transit	290	15,145	75,503

In terms of our Limited Review Report of even date

For and on behalf of the Board of Directors

For Guha Nandi & Co.  
Chartered Accountants  
FRN: 302039E

(CA. Dr. B. S. Kundu)  
Partner  
M. No - 051221

For De & Bose  
Chartered Accountants  
FRN: 302175E

(CA. Tarit Dasgupta)  
Partner  
M. No - 053380

Tajinder Mukherjee  
Chairman-Cum-Managing Director  
DIN: 03227563

Chadha  
Director  
DIN: 08368448

S.M. Geetha  
Chief Financial Officer

Rina Madia  
Company Secretary



Place: Kolkata  
Date: 21<sup>st</sup> December, 2020



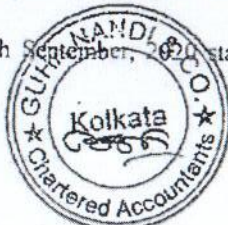


## NATIONAL INSURANCE COMPANY LIMITED

### Notes on Accounts for the half year ended 30<sup>th</sup> September, 2020

1. Interim Financial Information has been prepared in accordance with Section 11 of the Insurance Act, 1938 read with Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002. The Accounting Policies followed in the Interim Financial Information are same as followed in the immediate preceding financial year.
2. The Interim Financial Information for the half year ended have been arrived at after considering provision on estimated basis for employee benefits and other usual and necessary provisions.
3. Depreciation on fixed assets has been provided as per WDV method on pro-rata basis adopting useful lives as per Schedule II to the Companies Act, 2013.
4. The Insurance Regularity and Development Authority of India (IRDAI) per their letter No.411/F&A(NL)/Amort-EB-2019-20/122 dated 07-07-2020 granted approval for amortization of the additional pension liability of Rs.78,88,080 for OMOP of continuing employees over a period of five years from 2019-20. Pursuant to such approval, the Company has amortized Rs.15,77,616 thousand during the period and deferred Rs.47,32,848 thousand for amortization over the next three years.
5. Allowable expenses of management in terms of IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, is determined on annual basis and consequently all expenses pertaining to expenses of management have been taken to Revenue Accounts.
6. Balances due to/from persons/bodies carrying on Insurance/reinsurance business, balances of inter office accounts, control accounts, advances recoverable, sundry debtors/creditors, unexplained debits and credits entries in bank accounts, GST input tax credits are subject to confirmations and/or reconciliations. Reconciliation being a continuous exercise, adjustments, if any, that arise out of such reconciliations is taken as and when identified. However, as a matter of abundant precaution the Company has made a further provision of Rs.18,97,978 thousand during the half-year and accordingly the accumulated provision in this regard till 30-09-2020 stood at Rs.40,80,728 thousand (Rs.19,93,576 thousand) which according to the management is adequate.
7. The valuation of Incurred but Not Reported (IBNR) and Incurred but Not Enough Reported (IBNER) claims amounting to Rs.11,63,88,200 thousand (net of reinsurance Rs.9,59,53,300 thousand) as certified by the Appointed Actuary and Mentor Actuary as on 30<sup>th</sup> September, 2020 has been considered for preparation of Interim Financial Information. Assessment of IBNR and IBNER liability is the responsibility of the Company's Appointed Actuary and the Mentor Actuary. The Appointed Actuary and Mentor Actuary certified that the outstanding claims reserves are determined on a case to case basis instead of applying statistical methods. In their opinion, the assumptions for valuation of IBNR, IBNER & PDR are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the Authority.
8. The investments as well as fair value change account is apportioned between Policyholders and Shareholders in the ratio of Policyholders' fund and Shareholders' fund as at 30<sup>th</sup> September, 2020

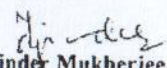
The Solvency Ratio as on 30th September, 2020 stands at 0.20, which is without avail for insurance granted by the Authority.





10. Inter Office net debit balance and Agents' and Intermediaries' balances recoverable, irrespective of its age of outstanding, have been considered as admissible assets for computation of Solvency Margin.
11. The Govt. of India has infused additional Capital amounting to Rs.1,67,50,000 thousand by issuing 167.50 crores Equity shares at Rs.10 per share for which the allotment was completed on 1<sup>st</sup> August, 2020. In addition to above Government of India has further infused capital amounting to Rs.80,00,000 thousand by issuing 80 crores Equity shares at Rs.10 per share for which the allotment was completed on 20<sup>th</sup> November, 2020. After these allotments, the paid-up Share capital of the Company stands at Rs.4,97,50,000 thousand as on date.
12. The Company has changed its accounting policy to recognize liability for compensated absence for sickness of the employees and provided for Rs.1,50,000 thousand on provisional basis. Had there been no such change, profit for the half-year would have been higher by Rs.1,50,000 thousand.
13. The Company is of the opinion that there are no significant recognition and measurement uncertainties that might have been created by the outbreak of the COVID-19 subsequent to the reporting period in measuring its various assets and liabilities as on 30<sup>th</sup> September, 2020.
14. Previous period's figures have been regrouped / rearranged wherever considered necessary.

For and on behalf of the Board of Directors

  
Tajinder Mukherjee

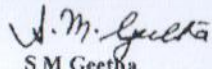
Chairman-Cum-Managing Director

DIN: 08227563

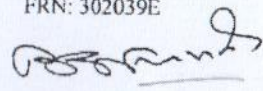
  
S. Chadha

Director

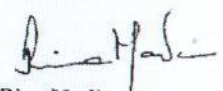
DIN: 08368448

  
S M Geetha  
Chief Financial Officer

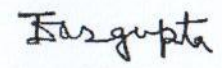
For Guha Nandi & Co.  
Chartered Accountants  
FRN: 302039E

  
(CA. Dr. B. S. Kundu)  
Partner  
M. No - 051221



  
Rina Madia  
Company Secretary

For De & Bose  
Chartered Accountants  
FRN: 302175E

  
(CA. Tarit Dasgupta)  
Partner  
M. No -053380



Kolkata, the 21<sup>st</sup> December, 2020