

28th June 2021

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

Sub: Financial Results under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) 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 on 28th June 2021 has considered and approved the Audited Financial Results of the Company for the year ended 31st March 2021. Pursuant to Regulation 52 of SEBI (LODR) Regulations, we enclose a copy of the financial results along with the Independent Auditors Report for your information and record. The financial results will also be made available on the Company's website.

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.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,

For National Insurance Company Limited



(Rina Madia)

Company Secretary & Compliance Officer

Encl: Audited Financial Results for the financial year ended 31st March 2021



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Chartered Accountants
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GUHA NANDI & CO.
Chartered Accountants,
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INDEPENDENT AUDITORS' REPORT

**To the Members of
National Insurance Company Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **National Insurance Company Limited** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31st March, 2021, Revenue Accounts of Fire, Marine and Miscellaneous Insurance Business (collectively known as 'Revenue Accounts'), Profit and Loss Account and Receipts and Payments Account for the year ended as on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements"), in which are incorporated the audited returns for the year then ended of 34 Regional Offices, 377 Divisional Offices audited by statutory branch auditors appointed by the Comptroller and Auditor General of India (C&AG) and 2 Foreign Branch Offices, audited by local auditors appointed by C&AG on the recommendation of the Company. These financial statements have been prepared in accordance with the requirements of the Insurance Act 1938 as amended by the Insurance Laws (Amendment) Act 2015 (the "Insurance Act"), the Insurance Regulatory and Development Act 1999 (the "IRDA Act"), the Companies Act 2013 (the "Act") and the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002 (the "IRDA Financial Statements Regulations") notified by the Insurance Regulatory and Development Authority of India (IRDAI), to the extent applicable and in the manner so required.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the aforementioned Acts and Regulations 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2021;
- (b) in the case Fire, Marine and Miscellaneous Revenue Accounts, of the operating profits for the year ended on that date;
- (c) in the case of Profit and Loss Account, of the loss for the year ended on that date; and
- (d) in the case of Receipts and Payments Account, of the 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 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.



Emphasis of Matters

We draw attention to the following matters:

a) Provision against unconfirmed/unreconciled recoverable:

Due to / due from balances in respect of re-insurance / co-insurance business transactions, other debtors, creditors and inter-office balances are subject to confirmations, reconciliations and/or adjustments (Refer Schedule 17 – Note No.27). Although the consequential impact of adjustments, if any, that may arise upon their reconciliations, confirmations or adjustments on revenue accounts, profit and loss account, reserves and surplus and assets and liabilities as on 31-03-2021 is not exactly ascertainable, as a prudential measure, pending such confirmations / reconciliations / adjustments, the Company has provided a sum of Rs.34,10,043 thousand during the year against such unconfirmed / unreconciled / unadjusted balances. Cumulative amount of such provision as at the year-end is Rs.55,92,793 thousand.

b) Recognition of contingent liability:

The Company had earlier adjusted its claim of premium of Rs.2,29,300 thousand from the Govt. of West Bengal under Rashtriya Swastha Bima Yojana against premium refundable to the said Government under Swastha Sathi Scheme. Till settlement of the dispute the Company continued to disclose the adjusted amount as contingent liability (Refer Schedule 17 – Note No.26).

c) Amortization of Pension Liability:

The Company has incurred additional pension liability consequent to implementation of General Insurance (Employees') Pension Amendment Scheme, 2019 notified by the Central Government. Pursuant to approval granted by IRDAI, the Company has amortized actuarially determined additional pension liability of Rs.78,88,080 thousand in respect of fresh pension optees over a period of five years from FY 2019-20. Accordingly Rs.15,77,616 thousand is charged off in the current year and Rs.47,32,848 thousand is deferred for amortization over the next three years.(Refer Schedule 17 – Note No.32).

d) Change in Accounting of sick leave and leave travel subsidy obligations:

Consequent to change in the accounting practice to provide for sick leave and leave travel subsidy obligations, a sum of Rs.1,18,745 thousand and Rs.1,70,736 thousand respectively have been provided for during the year resulting increase in loss of the year and the current liability as on 31-03-2021 by Rs.2,89,481 thousand (Refer Schedule 17 – Note No.33).

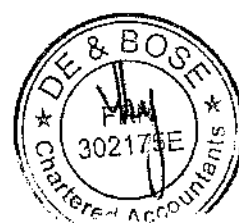
e) Solvency Ratio:

The declared Solvency Ratios of the Company as on 31st March, 2021 with or without forbearances are below the threshold limit (Refer Schedule 17 – Note No. 40).

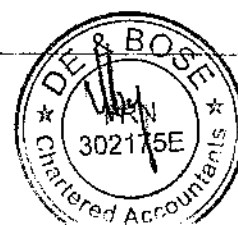
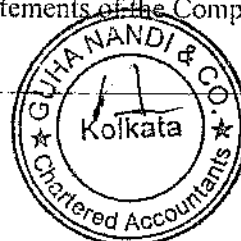
Our opinion is not modified in respect of these matters.

Key Audit Matters

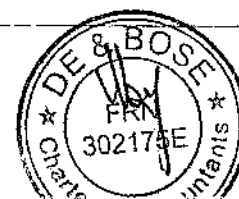
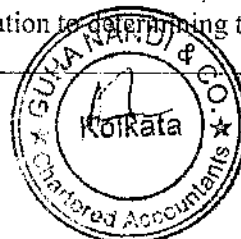
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have identified the matters described below to be the key audit matters in the current year.



Key Audit Matter	How our Audit addressed the Key Audit Matter
Recognition of Premium Income	
<p>Premium income is the main source of income of the Company and one of the major areas of concern for correct depiction of financial results as per the Company's accounting policy described in the significant policies of the Company in respect of recognition of premium income.</p>	<p>We obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to recognising premium income. We assessed the control over –</p> <ul style="list-style-type: none"> (i) segregation of premium amongst different business segments broadly fire, marine and miscellaneous; (ii) segregation of policies between risk booked and non-risk booked for the purpose of premium cession as per reinsurance underwriting policy of the Company; (iii) premium income from Government sponsored insurance schemes; (iv) premium earned from motor insurance tie-up business; and (v) adjustment of Unexpired Risk Reserve comprising Unearned Premium Reserve and Premium Deficiency Reserve to arrive at Net Earned Premium. <p>We are satisfied with the manner of recognizing premium income by the Company.</p>
Assessment of Incurred and Outstanding Claims	
<p>The Company has significant outstanding claims including claims relating to Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER). Estimating outstanding claims and probable future claims is based on critical judgments and is a key source of estimation uncertainty which is again the basis of estimating incurred claims during a given period.</p> <p>The methodologies and assumptions utilized to develop IBNR and IBNER involve a significant degree of judgment. The liabilities are based on the best-estimate ultimate cost of all claims incurred but not settled at a given date, whether reported or not, together with the related claims handling costs. There is generally less information available in relation to these claims, which can result in variability between initial estimates and final settlement. A range of methods are used to determine these provisions.</p> <p>The claims estimation uses an actuarial modeling process which involves</p>	<p>Our audit approach is to understand the systems, procedures and control over the claims registered at different operating offices and evaluate the implementation design of these essential elements. We focused on these areas because underlying these methods are a number of explicit or implicit assumptions relating to the expected settlement amount and settlement patterns of claims which are subject to critical judgement. We further assessed the control over –</p> <ul style="list-style-type: none"> (i) segregation of claims amongst different business segments broadly fire, marine and miscellaneous; (ii) segregation of claims between risk booked and non-risk booked for the purpose of claim cession as per reinsurance underwriting policy of the Company; (iii) acknowledgement of claims in respect of Government sponsored insurance schemes and motor insurance tie-up business; (iv) recording revision of estimated claim amount; and (v) computation of incurred claims based on claims paid, outstanding registered claims and IBNR and IBNER. <p>We relied upon the management engaged independent actuarial expert's report for determining the value of IBNR and IBNER. We broadly reviewed the work of actuarial report including their independence, experience and objectivity. The valuation of liabilities for outstanding claims reserves contained in the financial statements of the Company are based on the actuary's certificate.</p>



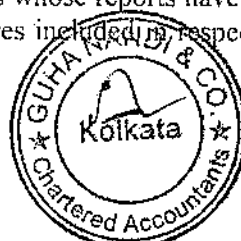
<p>complex and subjective actuarial methodologies, judgments and assumptions about future events and developments, both within and external to the Company, and for which small changes can have significant implications to the quantification.</p> <p>The estimation of claims at year end relies on the integrity of the underlying data, including claim payments and individual estimates of unsettled claims.</p>	
<p>Valuation of Investments</p>	
<p>The Company has made substantial investments in various State and Central Government Securities, Bonds, Debentures, Shares and other approved securities. The value of investments assumes a significant portion of the total assets of the Company.</p> <p>Entire gamut of investment functions encompassing purchase, disposal, recognition, measurement and disclosure of investments is governed by the Company's Investment Policy duly approved by the Board of Directors on annual basis based on Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, Investments-Master Circular, 2017 and other Directions and Circulars issued by IRDAI on investments.</p> <p>These regulations, directions and circulars cover valuation of investments, identification of non-performing investments and corresponding non-recognition of income and provision there against.</p>	<p>We conducted our audit of the investments with reference to IRDAI Regulations, Circulars, Directives etc. based upon understanding of internal controls and substantive audit procedures in relation to valuation, classification, identification of non-performing investments, provision/depreciation/write off and also assessment of fair value changes in relation to investments.</p> <p>Our audit procedures was primarily concentrated on –</p> <ol style="list-style-type: none"> Evaluation and understanding of Company's internal control system, IT governance structure vis-à-vis implementation of investment risk management systems and processes. Substantive testing of transactions relating to investments, verification of investment assets, identification of non-performing investments and provision made there against. Valuation and disclosure in the financial statements in accordance with the investment policy, regulations etc. <p>We agree with the value of investments as determined by the management and carried in the financial statements.</p>
<p>Valuation of employees' defined benefit obligations</p>	
<p>The Company has recognised long-term defined benefit obligations for its employees on actuarial basis. Pension and gratuity obligations are funded by the Company. Unfunded long-term defined benefit obligations are leave encashment, sick leave and leave travel subsidy. The funded defined benefit obligations are recognised net of plan asset.</p> <p>The actuarial valuations of employee</p>	<p>We examined the reports of external actuarial specialist and reviewed the key actuarial assumptions used, both financial and demographic, and considered the methodology utilised to derive these assumptions including review of input data provided for actuarial valuations of employees' defined benefit obligations. Furthermore, we have examined the sensitivity analysis on the key assumptions in valuing the defined benefit obligations.</p> <p>We are satisfied that the basis, methodology and assumptions applied in relation to determining the liabilities are acceptable.</p>



<p>benefit obligations is dependent on market conditions and assumptions made. The key audit matter specifically relates to the following key assumptions: discount rate, inflation expectations and life expectancy assumptions. The setting of these assumptions is complex and requires the exercise of significant management judgement with the support of third party actuary.</p>	
<p>Ascertainment, disclosure and provisioning in respect of contingent liabilities</p>	
<p>The Company has material uncertain tax matters, both direct and indirect, under dispute involving considerable demand raised on the Company which require significant judgment to determine the possible outcome of these disputes.</p> <p>Additionally, the Company has other ongoing legal matters relating to various claims not acknowledged as debts which require application of management judgement in order to determine the likely outcome.</p>	<p>Our audit procedure was to obtain from management details of direct and indirect tax and penalty demands which are considered as contingent liabilities. We undertook following principal audit procedures:</p> <ul style="list-style-type: none"> - Assessment of the process and relevant controls implemented to identify tax litigations and pending administrative proceedings. - Assessment of assumptions used in the evaluation of potential tax risks performed by the tax department of the Company considering the legal precedence and other rulings in similar cases. - Discussion with the management regarding the status of the most significant disputes and inspection of the key relevant documentation. - Analysis of opinion received from tax experts where available. - Review of the adequacy of the disclosures in the notes to the financial statements. <p>In assessing the potential exposures of the Company in respect of other contingent liabilities, we have:</p> <ul style="list-style-type: none"> - assessed the design and implementation of controls in relation to the monitoring of known exposures; - consulted with the Company's official dealing with the matters in understanding ongoing and potential legal matters impacting the Company; - reviewed available legal precedence; and - reviewed the proposed accounting and disclosure of actual and potential legal liabilities. <p>We concur that the accounting and disclosures in relation to the ongoing legal matters are appropriate.</p>

Other Matters

We did not audit the financial statements/information of 34 Regional Offices, 377 Divisional Offices, and 2 Foreign Offices, included in the standalone financial statements of the Company whose financial statements / information reflect total assets of Rs.4,26,77,232 thousand as at 31st March, 2021 and total revenues of Rs.14,18,57,489 thousand for the year ended on that date. The financial statements/information of these branches (offices) have been audited by the branch auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches is based solely on the reports of such auditors.



The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER) and Premium Deficiency Reserve (PDR) is the responsibility of the Company's appointed actuary. The actuarial valuation of these liabilities as at March 31, 2021 has been duly certified by the appointed actuary. The appointed actuary also certified that the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon 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 these matters.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Insurance Act, the IRDA Act, the IRDA Financial Statement Regulations, Orders/Directions/Circulars and other relevant Regulations issued/notified by IRDAI. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 Standards of Auditing 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, that 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.

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

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

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

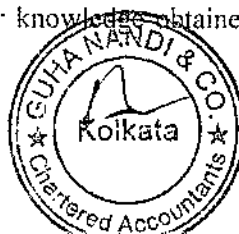
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information contained in Directors' Report, management discussion and analysis but does not include the financial statements and our report thereon. These reports are expected to be made available to us after the date of this auditors' report.

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

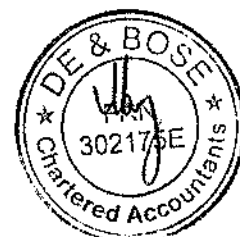
In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit,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



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

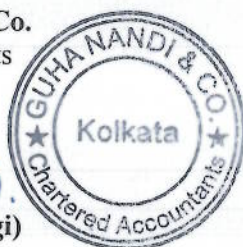
Report on Other Legal and Regulatory Requirements


1. As required by Sub-Regulation 3 of Regulation 3 of the IRDA Financial Statements Regulations read with Schedule-C thereof, we give in the **Annexure 'A'** to this report a certificate on the matters specified in paragraphs 3 and 4 of the Schedule.
2. In compliance to directions including additional directions of the Comptroller and Auditor General of India u/s.143(5) of the Act, we give in **Annexure 'B'** to this report a statement on the matters specified therein.
3. As required by Section 143(3) of the Act read with Schedule-C of the IRDA Financial Statements Regulations, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us.
 - c) The reports of the 34 Regional Auditors consolidating the reports of 377 Divisional Auditors and the reports of 2 foreign branches audited under section 143(8) of the Act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - d) The Balance Sheet, the Revenue Accounts, the Profit & Loss Account and the Receipts & Payments Account dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - e) In our opinion, accounting policies selected by the Company are appropriate and the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and with the accounting principles, as prescribed in the IRDA Financial Statements Regulations and orders or directions issued by IRDAI in this regard.
 - f) The provisions of Section 164(2) of the Act with regard to disqualifications for appointment of director are not applicable to the Company in view of Notification No. GSR 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India.
 - g) The provisions of Section 197(16) of the Act regarding payment of managerial remuneration to Company's directors are not applicable in view of Notification No. GSR 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India.
 - h) Our report on the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such control is given in **Annexure 'C'** to this report.
 - i) 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 pending litigations, the liabilities in respect of which is either provided for or disclosed as contingent liabilities – Refer Schedule 17 Note 1. The impact of these pending litigations on the financial position of the Company is subject to their judicial outcome;
- ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses – Refer Schedule 17 Note 49.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – Refer Schedule 17 Note 50.
- j) In our opinion and to the best of our information and according to the explanations given to us investments have been valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations and Orders/Directions/Circulars and other relevant Regulations issued/notified by IRDAI in this regard.

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



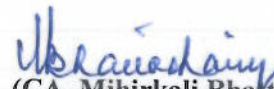

(CA. B. K. Sarawagi)
Partner
M. No – 054894
UDIN: 2105484AAAAAO1011

Place: Kolkata

Date: 28th June, 2021

For De & Bose
Chartered Accountants
FRN: 302175E




(CA. Mihirkali Bhattacharya)
Partner
M. No - 054362
UDIN: 21054362AAAAAL8434

Annexure – ‘A’

**Annexure to the Independent Auditors’ Report of even date on the
Standalone Financial Statements of National Insurance Company Limited
for the year ended 31st March, 2021**

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section)

**Certificate for the year ended 31st March, 2021 as required by Schedule–C of The Insurance
Regulatory & Development Authority (Preparation of Financial Statements
and Auditor’s Report of Insurance Companies) Regulations, 2002**

On the basis of our examination of books and records of the Company and according to the information and explanation given to us and to the best of our knowledge and belief, we certify that –

1. We have reviewed the Management Report for the year ended 31st March, 2021 and conclude that there is no apparent mistake or material inconsistencies with the standalone financial statements except that trends in average claim settlement time during the preceding five years have not been reported in the Management Report;
2. Based on management representations and the compliance certificate taken on record by the Board of Directors of the Company, 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 the Insurance Regulatory and Development Authority of India;
3. Cash balances at branches have been verified by the branch auditors. We have verified securities relating to the Company’s loans and investments as at 31st March, 2021 on the basis of certificate/confirmations received from the custodian/ depository participants/ CSGI Account Holder as the case may be. However, no significant variation between book records and physically verifiable investment records is noticed;
4. There is no investments and transactions relating to any trusts undertaken by the Company as trustee; and
5. No part of the assets of the policyholders’ funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the policyholders’ funds.

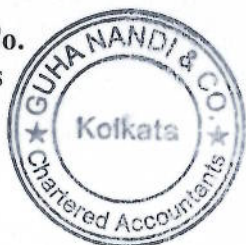
For Guha Nandi & Co.
Chartered Accountants
FRN: 302039E


(CA B. K. Sarawagi)

Partner

M. No – 054894

UDIN: 2105484AAAAAO1011



For De & Bose
Chartered Accountants
FRN: 302175E


(CA. Mihirkali Bhattacharya)

Partner

M. No - 054362

UDIN: 21054362AAAAAL8434



Place: Kolkata

Date: 28th June, 2021

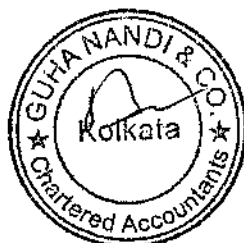
Annexure – 'B'

**Annexure to the Independent Auditors' Report of even date on the
Standalone Financial Statements of National Insurance Company Limited
for the year ended 31st March, 2021**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section)

**Replies to the Directions issued to Statutory Auditors under Section 143(5)
of the Companies Act, 2013 for the Financial Year 2020-21**

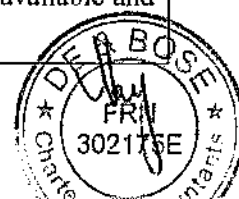
Sl. No.	Query	Reply
1.	Whether the Company has system in place to process all the accounting transaction through IT system? If no, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	All the accounting transactions of the Company are processed through different IT Systems and are finally integrated into for preparation of the accounts. Thus, there is no implications of processing of accounting transactions outside IT system on the integrity of the accounts including financial implications.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	The Company has not taken any loan except issue of debentures as subordinate debt on 27 th March 2017 for a period of ten years in terms of IRDAI (Other Forms of Capital) Regulations, 2015. There is no restructuring/ waiver/ write off of the above mentioned debt or interest thereon during the year.
3.	Whether funds (grants / subsidy etc.) received/ receivable for specific schemes from Central/State Governments and its agencies were properly accounted for /utilized as per its term and conditions? List the cases of deviation.	The Company has not received any grants or subsidy during the year other than premium subsidy received or receivable from Central/ State Government or its agencies under various crop insurance schemes for farmers and health insurance schemes for poor and vulnerable families. The premium subsidy so received or receivable have been properly accounted for.



(2)

**Replies to the Additional Directions issued to Statutory Auditors under Section 143(5)
of the Companies Act, 2013 for the Financial Year 2020-21**


Sl. No.	Query	Reply																																																							
1.	Number of titles of ownership in respect of CGS/SGS/Bonds/Debentures etc. available in physical/demat form and out of these, number of cases which are not in agreement with the respective amounts shown in the Company's books of accounts may be verified and discrepancy found may be suitably reported.	We give in the Table below number as well as corresponding book value of different class of securities, where there is mismatch between Company's books of accounts and statements from Custodian, Depository Participant or CSGL Account Holder as the case may be.																																																							
	<table><tr><th rowspan="2">Security Class</th><th colspan="2">Total</th><th colspan="2">Shortage</th><th colspan="2">Excess</th></tr><tr><th>Number of Accounts</th><th>Book Value (Rs in '000.)</th><th>Number of Accounts</th><th>Book Value (Rs in '000.)</th><th>Number of Accounts</th><th>Book Value (Rs in '000.)</th></tr><tr><td>CGS</td><td>47</td><td>592,82,586</td><td>NIL</td><td>0</td><td>NIL</td><td>0</td></tr><tr><td>SGS</td><td>195</td><td>487,94,686</td><td>NIL</td><td>0</td><td>NIL</td><td>0</td></tr><tr><td>BONDS & DEBENTURES</td><td>247</td><td>634,08,471</td><td>24</td><td>30,069</td><td>4</td><td>300,000 (FV)</td></tr><tr><td>EQUITY SHARES</td><td>594</td><td>847,30,752</td><td>45</td><td>555</td><td>10</td><td>136</td></tr><tr><td>PREFERENCE SHARES</td><td>129</td><td>2803</td><td>20</td><td>0.0001</td><td>2</td><td>12 (FV)</td></tr><tr><td>MUTUAL FUND</td><td>9</td><td>73,34,497</td><td>NIL</td><td>0</td><td>NIL</td><td>0</td></tr></table>	Security Class	Total		Shortage		Excess		Number of Accounts	Book Value (Rs in '000.)	Number of Accounts	Book Value (Rs in '000.)	Number of Accounts	Book Value (Rs in '000.)	CGS	47	592,82,586	NIL	0	NIL	0	SGS	195	487,94,686	NIL	0	NIL	0	BONDS & DEBENTURES	247	634,08,471	24	30,069	4	300,000 (FV)	EQUITY SHARES	594	847,30,752	45	555	10	136	PREFERENCE SHARES	129	2803	20	0.0001	2	12 (FV)	MUTUAL FUND	9	73,34,497	NIL	0	NIL	0	
Security Class	Total		Shortage		Excess																																																				
	Number of Accounts	Book Value (Rs in '000.)	Number of Accounts	Book Value (Rs in '000.)	Number of Accounts	Book Value (Rs in '000.)																																																			
CGS	47	592,82,586	NIL	0	NIL	0																																																			
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EQUITY SHARES	594	847,30,752	45	555	10	136																																																			
PREFERENCE SHARES	129	2803	20	0.0001	2	12 (FV)																																																			
MUTUAL FUND	9	73,34,497	NIL	0	NIL	0																																																			
2.	Whether stop loss limits have been prescribed in respect of the investments? If yes, whether or not the limit was adhered to. If no, details may be given.	As informed to us no stop loss limit has been prescribed by the Company in respect of its investments.																																																							
3.	Whether the Company has carried out reconciliation exercise for inter-company balances reflected in their financial statements with other PSU insurers and whether confirmation has been obtained from other PSU insurers for balances due from them?	<p>Co-insurance business with other PSU insurers are carried out at operating offices. Confirmation of inter-company balances are obtained and reconciliation done periodically by the respective operating offices. As informed to us the Company has in the current year intensified its effort in the reconciliation exercise to bring down unreconciled differences. However, there are still unconfirmed / unreconciled inter-company balances lying in the books of the operating offices.</p> <p>In respect of balances reflected in the books of reinsurance department of the Company, no balance confirmations from other PSU insurers are available and no reconciliations done.</p>																																																							



(3)

4.	Whether the method of accounting of premium and reported claims are as per conditions of agreements / schemes relating to – (i) Pradhan Mantri Fasal Bima Yojana (ii) Rashtriya Swasthya Bima Yojana (iii) Prime Minister Jan Arogya Yojana.	The Company has accounted the premium income and the reported claims under (i) Pradhan Mantri Fasal Bima Yojana; (ii) Rashtriya Swasthya Bima Yojana; and (iii) Prime Minister Jan Arogya Yojana in accordance with the Company's accounting policies and in compliance with the operational guidelines of respective schemes.
5.	Whether the Company has complied with IRDAI Circular (No. IRDA/F&A/CIR/MISC/052/03/2018 dated 27 March 2018) regarding exemption of re-insurance schemes of specified insurance schemes such as Pradhan Mantri Fasal Bima Yojana, Pradhan Mantri Suraksha Bima Yojana etc. from the purview of GST and passed on to the insured/Government the benefit of reduction in premium?	As explained to us, in respect of Pradhan Mantri Fasal Bima Yojana and other Government sponsored insurance schemes, business is procured through tendering process and the premium rates are determined by way of actuarial estimation of ultimate loss of the respective schemes. Exemption of GST on re-insurance obligatory premium cession in respect of these schemes has been taken into consideration by the Company for the purpose of determination of premium rates. In the case of Pradhan Mantri Suraksha Bima Yojana premium rate is determined by the Govt. of India. The PMSBY Scheme had come into effect before implementation of GST and premium rates continued to be the same even after introduction of GST. Accordingly, the management is of the opinion that benefits of GST exemption is not accrued to the Company but deemed to have been passed on to the beneficiaries.
6.	Whether entire input tax credit (ITC) available on GST portal in respect of the Company has been availed within prescribed time limits.	The Company is yet to establish a technology driven automated procedure for one to one matching of tax invoices with auto populated invoice details available on the GST portal. Complete reconciliations of (a) ITC available on GST portal (b) eligible ITC and (c) ITC availed which are now being done manually are pending. Due to above, we are unable to state as to what extent ITC available on GST portal of the Company has been availed within the prescribed time limits.

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


(CA. B. K. Sarawagi)
Partner

M. No – 054894
UDIN: 2105484AAAAAO1011

Place: Kolkata

Date: 28th June, 2021



For De & Bose
Chartered Accountants
FRN: 302175E


(CA. Mihirkali Bhatnagar)
Partner

M. No – 054362
UDIN: 21054362AAAAAL8434



Annexure – 'C'

Annexure to the Independent Auditors' Report of even date on the Standalone Financial Statements of National Insurance Company Limited for the year ended 31st March, 2021

(Referred to in paragraph 3(h) under 'Report on Other Legal and Regulatory Requirements' section)

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

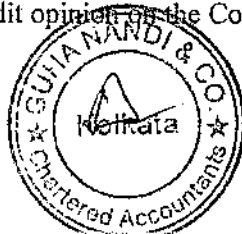
1. We have audited the internal financial controls over financial reporting of National Insurance Company Limited ("the Company") as at 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the 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 ("the Act").

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting. Those standards and 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.
4. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidences obtained by the branch auditors in terms of their reports referred to in the other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



(2)

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) 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

7. 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.
8. According to the information and explanations given to us and based on our audit, the following deficiencies have been noticed:
- i) Maintenance of data base of motor tie-up business in a separate platform.
 - ii) Reinsurance underwriting programme is not incorporated in the system design of underwriting in the Company's Enterprise Architecture Solution for Insurance (EASI) to enable generation of report of risk booked policies from the system for preparation of bordereau for premium and claim cessions.
 - iii) Lack of timely reconciliation and/or obtaining confirmations of due to/due from balances in respect of re-insurance / co-insurance transactions, other debtors / creditors, inter-office balances and absence of technology driven automated process for one to one matching of invoices with the auto-populated invoices in the GST Portal.
9. A 'deficiency' in internal financial control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis and is important enough to merit attention of those charged with governance. Our opinion is not modified in respect of these matters.

Opinion

10. In my opinion and to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting 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.



(3)


11. We have considered the deficiencies identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of 31st March, 2021 of the Company, and these deficiencies do not affect our opinion on the standalone financial statements of the Company.

Other Matter

12. Our aforesaid report u/s 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Regional Offices and Divisional Offices is based on the report u/s.143(3)(i) of the Act received from the Branch Auditors of Regional/Divisional Offices.

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




(CA. B. K. Sarawagi)

Partner

M. No – 054894

UDIN: 2105484AAAAAO1011

Place: Kolkata

Date: 28th June, 2021

For De & Bose
Chartered Accountants
FRN: 302175E




(CA. Mihirkali Bhattacharya)

Partner

M. No - 054362

UDIN: 21054362AAAAAL8434

FIRE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Schedule	2020-21	2019-20
		Audited	Audited
		(Rs. '000)	(Rs. '000)
1. Premiums earned (Net)	1A	78,19,961	65,23,146
2. Profit/Loss on sale/redemption of Investments		7,47,684	5,25,683
3. Others:			
Exchange Gain		-	-
Contribution from Shareholders Funds towards excess EoM		-	10,73,329
4. Interest, Dividend & Rent - Gross		11,90,177	11,90,799
Total (A)		97,57,822	93,12,957
1. Claims Incurred (Net)	2A	55,76,494	50,30,116
2. Commission	3A	10,78,267	9,11,411
3. Operating Expenses related to Insurance Business	4	23,00,648	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		48,341	1,95,545
Total (B)		90,03,750	94,64,074
Operating Profit/-Loss from Fire Business C = (A - B)		7,54,072	-1,51,117
Appropriations:			
Transfer to Shareholders' Account		7,54,072	-1,51,117
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		7,54,072	-1,51,117
Significant Accounting Policies	16		
Notes to Accounts	17		
The schedules referred to above form an integral part of the Financial Statements			

This is the Fire Insurance Revenue Account for the year ended 31st March, 2021 referred to in our report of even date

For and on behalf of the Board of Directors

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

(CA. B. K. Sarawagi)
Partner
M. No - 054894

For De & Bose
Chartered Accountants
FRN: 302175E

(CA. Mihirkali Bhattacharya)
Partner
M. No - 054362

Tajinder Mukherjee
Chairman-Cum-Managing Director
DIN: 08227563

Navneet Doda
Director
DIN: 09033035

Neera Saxena
Director
DIN: 08189646

S M Geetha
Chief Financial Officer

Rina Madia
Company Secretary



Place: Kolkata
Date: 28th June, 2021



MARINE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Schedule	2020-21	2019-20
		Audited (Rs. '000)	Audited (Rs. '000)
1. Premiums earned (Net)	1B	12,85,421	15,32,595
2. Profit/Loss on sale/redemption of Investments		1,25,991	81,973
3. Others:			
Exchange Gain		-	-
Contribution from Shareholders Funds towards excess EoM		-	61,587
4. Interest, Dividend & Rent - Gross		2,00,555	1,85,689
Total (A)		16,11,967	18,61,844
1. Claims Incurred (Net)	2B	9,54,390	7,72,856
2. Commission	3B	1,53,647	86,538
3. Operating Expenses related to Insurance Business	4	2,59,578	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		8,146	30,493
Total (B)		13,75,761	13,63,083
Operating Profit/ - Loss from Marine Business C = (A - B)		2,36,206	4,98,761
Appropriations:			
Transfer to Shareholders' Account		2,36,206	4,98,761
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		2,36,206	4,98,761
Significant Accounting Policies	16		
Notes to Accounts	17		
The schedules referred to above form an integral part of the Financial Statements			

This is the Marine Insurance Revenue Account for the year ended 31st March, 2021 referred to in our report of even date

For and on behalf of the Board of Directors

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

(Signature)
(CA. B. K. Sarawagi)
Partner
M. No - 054894

For De & Bose
Chartered Accountants
FRN: 302175E

(Signature)
(CA. Mihirkali Bhattacharya)
Partner
M. No - 054362

(Signature)
Tajinder Mukherjee
Chairman-Cum-Managing Director
DIN: 08227563

(Signature)
Navreet Doda
Director
DIN: 09033035

(Signature)
Neera Saxena
Director
DIN: 08189646

(Signature)
S M Geetha
Chief Financial Officer

(Signature)
Rina Madia
Company Secretary



Place: Kolkata
Date: 28th June, 2021



FORM B-RA
NATIONAL INSURANCE COMPANY LIMITED
IRDA Registration No. 58 renewed on 28th January, 2021
CIN: U10200WB1906GOI001713

MISCELLANEOUS REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Schedule	2020-21	2019-20
		Audited	Audited
		(Rs. '000)	(Rs. '000)
1. Premiums earned (Net)	1C	10,33,09,450	8,87,71,408
2. Profit/Loss on sale/redemption of Investments		96,34,727	53,03,874
3. Others:		-	-
Contribution from Shareholders Funds towards excess EoM		36,05,359	1,14,81,461
4. Interest, Dividend & Rent - Gross		1,53,36,731	1,20,14,547
Total (A)		13,18,86,267	11,75,71,290
1. Claims Incurred (Net)	2C	9,04,08,212	9,66,96,503
2. Commission	3C	84,42,407	70,43,690
3. Operating Expenses related to Insurance Business	4	3,17,86,056	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		6,22,933	19,72,950
Total (B)		13,12,59,608	14,57,93,066
Operating Profit/ - Loss from Miscellaneous Business C = (A - B)		6,26,659	-2,82,21,776
Appropriations:			
Transfer to Shareholders' Account		6,26,659	-2,82,21,776
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		6,26,659	-2,82,21,776

This is the Miscellaneous Insurance Revenue Account for the year ended 31st March, 2021 referred to in our report of even date

For and on behalf of the Board of Directors

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

(CA. B. K. Sarawagi)
Partner
M. No - 054894

For De & Bose
Chartered Accountants
FRN: 302175E

(CA. Mihirkali Bhattacharya)
Partner
M. No - 054362

Tajinder Mukherjee
Chairman-Cum-Managing Director
DIN: 08227563

Navneet Doda
Director
DIN: 09033035

Neera Saxena
Director
DIN: 08189646

S M Geetha
Chief Financial Officer

Rina Madia
Company Secretary



Place: Kolkata
Date: 28th June, 2021



S M Geetha

Rina Madia



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

Particulars	Schedule	2020-21	2019-20
		Audited (Rs. '000)	Audited (Rs. '000)
1. OPERATING PROFIT/LOSS		16,16,937	-2,78,74,132
(a) Fire Insurance		7,54,072	-1,51,117
(b) Marine Insurance		2,36,206	4,98,761
(c) Miscellaneous Insurance		6,26,659	-2,82,21,776
2. INCOME FROM INVESTMENTS		-	2,00,979
(a) Interest, Dividend & Rent - Gross		-	1,54,701
(b) Profit on sale of investments		-	46,278
Less: Loss on sale of investments		-	-
3. OTHER INCOME		3,47,716	1,56,021
(a) Profit on sale of other asset		9,858	2,602
(b) Miscellaneous Income		3,37,858	89,733
(c) Exchange Gain		-	63,686
(d) Others		-	-
Total (A)		19,64,653	-2,75,17,132
4. PROVISIONS (Other than taxation)		31,99,169	1,90,893
(a) For diminution in the value of Investments		-	15,665
(b) For doubtful debts		31,99,169	1,75,228
(c) Others		-	-
5. OTHER EXPENSES		43,95,450	1,33,75,334
(a) Expenses other than those related to Insurance Business		365	9,894
(b) Bad debts written off		-	-
(c) Others:		-	-
Amortisation of Premium on Investments		-	1,466
Amount written off in respect of depreciated Investments		-	84
Exchange Loss		32,613	-
Assets written off		-	16
Loss on Sale on Asset		1,364	3
Interest on Debentures		7,47,325	7,47,325
Debenture Related Expenses		906	169
Contribution to Policyholders funds towards excess EoM		36,05,359	1,26,16,377
Corporate Social Responsibility Expenses		-	-
Other Misc Expenses		7,518	-
Total (B)		75,94,619	1,35,66,227
Profit/- Loss before tax		-56,29,966	-4,10,83,359
Provision for Taxation		-	-
Adjustment of taxation for Earlier Years		-11,393	-
Profit/- Loss after Tax		-56,18,573	-4,10,83,359
Appropriations:		66,390	-4,92,507
(a) Interim dividends paid during the year		-	-
(b) Proposed Final Dividend		-	-
(c) Dividend Distribution tax		-	-
(d) Transfer to/from General Reserve		-	-5,65,503
(e) Transfer to Unclaimed Policyholders Funds		66,390	72,996
Balance of profit/- loss brought forward from last year		-4,05,90,852	-
Balance carried forward to Balance Sheet		-4,62,75,815	-4,05,90,852
Significant Accounting Policies	16		
Notes to Accounts	17		
The schedules referred to above form an integral part of the Financial Statements			
Basic earnings per share of Rs. 10 face value		-1.44	-238.67
Diluted earnings per share of Rs. 10 face value		-1.44	-238.67

This is the profit and Loss Account for the year ended 31st March, 2021 referred to in our report of even date

For and on behalf of the Board of Directors

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

(CA. B. K. Sarawagi)
Partner
M. No - 054894

For De & Bose
Chartered Accountants
FRN: 302175E

(CA. Mihirkali Bhattacharya)
Partner
M. No - 054362

Tajinder Mukherjee
Chairman-Cum-Managing Director
DIN: 08217563

Navneet Boda
Director
DIN: 09033035

Neera Saxena
Director
DIN: 08189646

S M Geetha
Chief Financial Officer

Rina Madia
Company Secretary



BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Schedule	As at 31.03.2021	As at 31.03.2020
		Audited (Rs. '000)	Audited (Rs. '000)
SOURCES OF FUNDS			
SHARE CAPITAL	5	5,67,50,000	2,50,00,000
RESERVES AND SURPLUS	6	1,56,456	1,46,569
FAIR VALUE CHANGE ACCOUNT - SHAREHOLDERS FUNDS		4,07,114	-
FAIR VALUE CHANGE ACCOUNT - POLICYHOLDERS FUNDS		1,74,79,386	-1,65,72,165
BORROWINGS	7	89,50,000	89,50,000
TOTAL		8,37,42,956	1,75,24,404
APPLICATION OF FUNDS			
INVESTMENTS - SHAREHOLDERS FUNDS	8	66,64,351	-
INVESTMENTS - POLICYHOLDERS FUNDS	8A	28,61,32,883	22,05,21,251
LOANS	9	3,47,881	3,68,593
FIXED ASSETS	10	50,91,177	37,20,619
CURRENT ASSETS			
Cash and Bank Balances	11	63,29,249	69,84,621
Advances and Other Assets	12	7,37,38,926	7,73,10,819
Sub-Total (A)		8,00,68,175	8,42,95,440
CURRENT LIABILITIES	13	27,68,98,120	28,73,19,407
PROVISIONS	14	6,86,72,054	5,09,63,408
Sub-Total (B)		34,55,70,174	33,82,82,815
NET CURRENT LIABILITIES (C) = (A-B)		-26,55,01,999	-25,39,87,375
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	15	47,32,848	63,10,464
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT		4,62,75,815	4,05,90,852
TOTAL		8,37,42,956	1,75,24,404
Significant Accounting Policies	16		
Notes to Accounts	17		
The schedules referred to above form an integral part of the Financial Statements			

CONTINGENT LIABILITIES

Particulars	As at 31.03.2021 (Rs. '000)	As at 31.03.2020 (Rs. '000)
1. Partly paid-up Investments	4,181	4,181
2. Claims, other than against policies, not acknowledged as debts by the Company	6,01,491	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	72,661
5. Statutory demands/liabilities in dispute, not provided for	1,20,53,349	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	1,00,653	82,407
8. Others - Claims, under policies, not acknowledged as debts	-	-
TOTAL	1,28,32,335	1,27,91,295

This is the Balance Sheet as at 31st March, 2021 referred to in our report of even date

For and on behalf of the Board of Directors

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

(CA. B. K. Sarawagi)
Partner
M. No - 054894

For De & Bose
Chartered Accountants
FRN: 302175E

(CA. Mihirkali Bhattacharya)
Partner
M. No - 054362

Tajinder Mukherjee
Chairman-Cum-Managing Director
DIN: 08227563
Navneet Doda
Director
DIN: 09033035
Neera Saxena
Director
DIN: 08189646

S M Geetha
Chief Financial Officer

Rina Madia
Company Secretary



Place: Kolkata
Date: 28th June, 2021

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

(Rs. '000)

Particulars	2020-21	2019-20
	Audited	Audited
A. Cash flows from Operating Activities:		
1 Premium received from policyholders, (including advance receipts)	14,40,77,156	15,51,69,082
2 Other receipts	98,06,923	75,77,463
3 Receipts/Payments from/to the re-insurers, net of commissions and claims	-79,29,932	-1,34,23,267
4 Receipts/Payments from/to co-insurers, net of claims recovery	1,02,13,222	-3,06,363
5 Payments of claims	-12,51,53,291	-12,10,63,494
6 Payments of commission and brokerage	-64,06,475	-1,00,92,856
7 Payments of other operating expenses	-2,37,12,108	-2,30,93,652
8 Preliminary and pre-operative expenses	-	-
9 Deposits, advances and staff loans (including House building Loan)	-1,02,142	-1,87,268
10 Income taxes paid (Net) (Including Wealth Tax)	-36,47,158	-
11 Service tax/GST paid	-1,19,13,442	-1,17,60,458
12 Other payments	-10,20,267	-43,01,898
13 Cash flows before extraordinary items	-1,57,87,514	-2,14,82,709
14 Cash flow from extraordinary operations	-	-
15 Net cash flow from operating activities (A)	-1,57,87,514	-2,14,82,709
B. Cash flows from Investing Activities:		
1 Purchase of fixed assets	-10,58,934	-37,541
2 Proceeds from sale of fixed assets	40,969	7,861
3 Purchases of investments (Other than money market instruments & liquid mutual funds)	-19,30,44,960	-7,74,01,494
4 Loans disbursed	-	-
5 Sales of investments	35,66,58,246	28,61,54,849
6 Repayments received	5,620	13,157
7 Rents/Interests/Dividends received	1,51,51,868	1,31,88,879
8 Investments in money market instruments and in liquid mutual funds	-19,36,06,400	-22,98,10,100
9 Expenses related to investments	-371	-25
10 Net cash flow from investing activities (B)	-1,58,53,962	-78,84,415
C. Cash flows from Financing Activities:		
1 Proceeds from issuance of share capital	3,17,50,000	2,40,00,000
2 Proceeds from borrowing	-	-
3 Repayments of borrowing	-	-
4 Interest / dividends (including dividend distribution tax) paid	-7,47,325	-7,47,325
5 Net cash flow from financing activities (C)	3,10,02,675	2,32,52,675
D. Effect of Foreign Exchange rates on Cash & Cash Equivalents, net (due to translation of assets and liabilities)	-16,571	15,794
E. Net Decrease in Cash & Cash Equivalents: (A+B+C+D)	-6,55,372	-60,98,656
1 Cash and cash equivalents at the beginning of the year	69,84,621	1,30,83,277
a. Cash (including cheques, drafts and stamps)	57,929	15,69,338
b. Bank balances (including short term deposits)	68,51,189	1,15,12,059
c. Remittances in transit	75,503	1,880
2 Cash and cash equivalents at the end of the year	63,29,249	69,84,621
a. Cash (including cheques, drafts and stamps)	82,649	57,929
b. Bank balances (including short term deposits)	62,46,577	68,51,189
c. Remittances in transit	23	75,503

This is the Receipts and Payments A/c for the year ended 31st March, 2021 referred to in our report of even date.

For and on behalf of the Board of Directors

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

(CA. B. K. Sarawagi)
Partner
M. No - 054894

For De & Bose
Chartered Accountants
FRN: 302175E

(CA. Mihir Kall Bhattacharya)
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Place: Kolkata
Date: 28th June, 2021

