

OS AA01

Statement of details of parent law and other
information for an overseas company



Companies House

022028/20

☒ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

☒ **What this form is for**
You cannot use this form to
accompany an alteration
with accounts.

WEDNESDAY



A12 *A8WPQ9UQ* 15/01/2020 #229
COMPANIES HOUSE

on, please
at
se.gov.uk

Part 1 Corporate company name

Corporate name of overseas company ① RSA ACTUARIAL SERVICES (INDIA) PRIVATE COMPANY

UK establishment number B R 0 2 0 2 3 9

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state.

**Part 2 Statement of details of parent law and other
information for an overseas company**

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited.

Legislation ② INDIAN COMPANIES ACT

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

Name of organisation or body ③ ACCOUNTING STANDARDS BOARD, INDIA

③ Please insert the name of the
appropriate accounting organisation
or body.

A3 Accounts


Accounts Have the accounts been audited? Please tick the appropriate box.

☐ No. Go to Section A5.

☒ Yes. Go to Section A4.

OS AA01

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| | | |
|--------------------------------|---|--|
| A4 Audited accounts | | |
| Audited accounts | <p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Part 3 'Signature'.</p> <p><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</p> | ● Please insert the name of the appropriate accounting organisation or body. |
| Name of organisation or body ① | ACCOUNTING STANDARDS BOARD, INDIA | |
| A5 Unaudited accounts | | |
| Unaudited accounts | <p>Is the company required to have its accounts audited?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No.</p> <p><input type="checkbox"/> Yes.</p> | |
| Part 3 Signature | | |
| | I am signing this form on behalf of the overseas company. | |
| Signature | <p>Signature</p> <p>X  X</p> | |
| | This form may be signed by: Director, Secretary, Permanent representative. | |

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

| | |
|---------------|-------------------------|
| Contact name | GROUP SECRETARIAT |
| Company name | RSA INSURANCE GROUP PLC |
| | |
| Address | 20 FENCHURCH STREET |
| | |
| Post town | LONDON |
| County/Region | |
| Postcode | E C 3 M 3 A U |
| Country | UK |
| DX | |
| Telephone | 0207 111 7250 |



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

B S R & Associates LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

INDEPENDENT AUDITORS' REPORT

To the Members of RSA Actuarial Services (India) Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **RSA Actuarial Services (India) Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, its profit and its cash flows 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 SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements 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.



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- 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, 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.
 - c) The balance sheet, the statement of profit and loss, and statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The Company has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls with respect to financial statements of the Company and the operating effectiveness of such controls {clause (i) of section 143(3)}.



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(B) With respect to the other matters to be included in the Auditors' 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 does not have any pending litigations which would impact its financial position. Refer Note 11 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

The Company is a private limited company and accordingly the requirements as stipulated by the provisions of section 197(16) of the Act are not applicable to the Company.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No.: 116231W / W 100024



Gajendra Sharma

Partner

Membership No. 064440

UDIN: 19064440AAAABJ7482

Place: Gurugram

Date: 19 September 2019

Annexure A referred to in our Independent Auditor's Report of even date to the Members of RSA Actuarial (India) Private Limited on the financial statements for the year ended 31 March 2019.
We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, whereby all the fixed assets are verified once in every year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property. Accordingly, paragraph 3(i)(c) of the Order is not applicable.
- (ii) The Company is a service company, primarily rendering technical services and therefore does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and securities provided by the Company as specified under section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, service tax, goods and service tax, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, sales tax, value added tax, duty of customs and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, goods and service tax, cess and other statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.



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- (b) According to the information and explanations given to us, there are no dues in respect of income-tax, service tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute as at 31 March 2019.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans or borrowings from banks, financial institutions, government or dues to debenture holders during the year or outstanding as at 31 March 2019. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly, the requirements as stipulated by the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. According to the information and explanations given to us, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For B S R & Associates LLP

Chartered Accountants

ICAI Firm Registration No.: 116231 W/ W-100024



Gajendra Sharma

Partner

Membership No: 064440

UDIN: 19064440AAAABJ7482

Place: Gurugram

Date : 19 September 2019

RSA Actuarial Services (India) Private Limited
Balance Sheet as at 31 March 2019
[All amounts in Rupees, unless otherwise stated]

| | Note | As at 31 March 2019 | As at 31 March 2018 |
|--|------|------------------------|------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3.1 | 37,598,330 | 37,598,330 |
| Reserves and surplus | 3.2 | 159,569,486 | 120,989,826 |
| | | <u>197,167,816</u> | <u>158,588,156</u> |
| Non-current liabilities | | | |
| Other long-term liabilities | 3.3 | 525,880 | 2,103,519 |
| Long-term provisions | 3.4 | 3,618,410 | 2,996,069 |
| | | <u>4,144,290</u> | <u>5,099,588</u> |
| Current liabilities | | | |
| Trade payables | | | |
| - Total outstanding dues to micro and small enterprises | | - | - |
| - Total outstanding dues to creditors other than micro enterprises and small enterprises | 3.5 | 16,145,379 | 25,860,168 |
| Other current liabilities | 3.6 | 23,417,483 | 17,643,010 |
| Short-term provisions | 3.7 | 1,309,882 | 1,385,156 |
| | | <u>40,872,744</u> | <u>44,888,333</u> |
| Total | | <u>242,184,850</u> | <u>208,576,077</u> |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3.8 | 20,730,794 | 19,957,682 |
| Intangible assets | 3.8 | 330,515 | 523,299 |
| Deferred tax assets | 3.9 | 6,604,644 | 6,140,146 |
| Long-term loans and advances | 3.10 | 8,131,992 | 8,309,337 |
| | | <u>35,797,945</u> | <u>34,930,464</u> |
| Current assets | | | |
| Trade receivables | 3.11 | 12,205,373 | 5,402,063 |
| Cash and cash equivalents | 3.12 | 107,091,236 | 89,836,187 |
| Short-term loans and advances | 3.13 | 22,855,607 | 16,268,666 |
| Other current assets | 3.14 | 64,234,689 | 62,138,697 |
| | | <u>206,386,905</u> | <u>173,645,613</u> |
| Total | | <u>242,184,850</u> | <u>208,576,077</u> |

Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For BSR & Associates LLP
Chartered Accountants
Firm Registration No. 116231 W/W-100024

Gajendra Sharma

Gajendra Sharma
Partner
Membership No : 064440
UDIN : 19064440AAAABJ7482

For and on behalf of the Board of Directors of
RSA Actuarial Services (India) Private Limited

Vikas Newatia
CEO & Director
DIN:00918959

David Norman Roberts
Director
DIN:03187849

Place Gurugram

Date 19 September 2019



Place Gurugram

Date 19 September 2019

Place Gurugram

Date 19 September 2019

RSA Actuarial Services (India) Private Limited
Statement of Profit and Loss for the year ended 31 March 2019
[All amounts in Rupees, unless otherwise stated]

| | Note | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---|------|-------------------------------------|-------------------------------------|
| Revenue from operations | 3.15 | 295,649,535 | 239,673,394 |
| Other income | 3.16 | 23,962,749 | 22,417,170 |
| Total revenue | | 319,612,284 | 262,090,564 |
| Expenses | | | |
| Employee benefits expenses | 3.17 | 204,410,348 | 156,989,265 |
| Finance costs | 3.18 | 115,104 | 186,674 |
| Depreciation and amortisation | 3.19 | 7,560,666 | 6,249,980 |
| Other expenses | 3.20 | 53,980,280 | 52,458,385 |
| Total expenses | | 266,066,398 | 215,884,304 |
| Profit before tax | | 53,545,886 | 46,206,260 |
| Tax expense | | | |
| - Current tax | | 14,922,359 | 13,160,932 |
| - Tax for earlier years | | 508,365 | 132,271 |
| - Deferred tax | | (464,498) | 432,593 |
| | | 14,966,226 | 13,725,796 |
| Profit after tax for the year | | 38,579,660 | 32,480,464 |
| Earnings per equity share (nominal value of Rs. 10 per share (previous year Rs. 10 per share)) | | | |
| - Basic | 10 | 10.26 | 8.64 |

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration No.: 116231 W/W-100024

Gajendra Sharma

Gajendra Sharma
Partner
Membership No.: 064440
UDIN: 19064440AAAABJ7482

For and on behalf of the Board of Directors of
RSA Actuarial Services (India) Private Limited

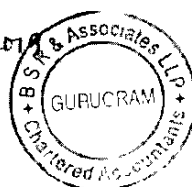
Vikas Newatia
Vikas Newatia
CEO & Director
DIN:00918959

David Norman Roberts

David Norman Roberts
Director
DIN:03187849

Place: Gurugram

Date: 19 September 2019



Place: Gurugram

Date: 19 September 2019

Place: Gurugram

Date: 19 September 2019

RSA Actuarial Services (India) Private Limited
Cash flow statement for the year ended 31 March 2019
[All amounts in Rupees, unless otherwise stated]

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---|-------------------------------------|-------------------------------------|
| Cash flow from operating activities | | |
| Net profit before tax | 53,545,886 | 46,206,260 |
| Adjustments for : | | |
| Depreciation and amortisation | 7,560,666 | 6,249,980 |
| Disposal of property, plant and equipment | 59,899 | - |
| Interest expense | 115,104 | 186,674 |
| Interest on fixed deposits | (3,434,838) | (2,611,999) |
| Interest on income tax | - | (100,985) |
| Unrealised foreign exchange loss | 364,704 | 1,132,591 |
| Operating cash flow before working capital changes | 58,211,421 | 51,062,522 |
| Decrease/(increase) in trade receivables | (7,168,012) | 1,913,848 |
| Increase in loans and advances | (6,586,941) | (8,917,681) |
| Increase in other assets | (2,095,992) | (20,063,941) |
| Increase/(decrease) in trade payables | (9,714,789) | 11,913,072 |
| Increase in other liabilities and provisions | 4,743,901 | 5,933,228 |
| Cash generated from operations | 37,389,588 | 41,841,048 |
| Income-taxes paid (net of refund) | (15,368,483) | (11,071,342) |
| Net cash generated from operating activities (A) | 22,021,105 | 30,769,707 |
| Cash flow from investing activities | | |
| Purchase of property, plant and equipment | (8,200,894) | (11,001,403) |
| Interest income | 3,434,838 | 2,611,999 |
| Net cash (used in)/generated from investing activities (B) | (4,766,056) | (8,389,404) |
| Net increase in the cash and cash equivalents (A+B) | 17,255,049 | 22,380,303 |
| Cash and cash equivalents at the beginning of year (see below) | 89,836,187 | 67,455,884 |
| Cash and cash equivalents at the closing of the year (see below) | 107,091,236 | 89,836,187 |

Notes to the cash flow statement:

1) Components of cash and cash equivalents

Cash and cash equivalents

Cash-in-hand

10,985

1,302

Balance with banks

- - Current accounts

107,080,251

89,834,885

107,091,236

89,836,187

2) The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS- 3) "Cash Flow Statement" prescribed under section 133 of the Companies Act, 2013, as applicable

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For BSR & Associates LLP

Chartered Accountants

Firm Registration No. 116231 W/W-100024

Gajendra Sharma

Gajendra Sharma

Partner

Membership No. 064440

UDIN 19064440AAAABJ7482

For and on behalf of the Board of Directors of
RSA Actuarial Services (India) Private Limited

Vikas Newatia

Vikas Newatia

CEO & Director

DIN 00918959

David Norman Roberts

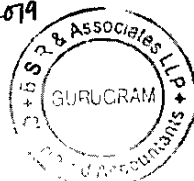
David Norman Roberts

Director

DIN:03187849

Place Gurugram

Date: 19 September 2019



Place Gurugram

Date: 19 September 2019

Place Gurugram

Date: 19 September 2019

Significant accounting policies and notes to the accounts

1) Company overview

RSA Actuarial Services (India) Private Limited ('the Company') was incorporated on 9 December 2010 under the Companies Act, 1956. The Company is primarily engaged in providing advisory and technical support services to its group companies in the areas of risk management, strategy determination, business promotional activities, insurance, re-insurance, underwriting, actuarial activities and other administrative services etc.

2) Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') and the relevant provisions of the Act and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian rupees.

The financial statements for the year ended 31 March 2019 have been prepared as per the requirements of Schedule III of the Companies Act 2013.

2.2 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgement, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Examples of such estimates include provision for doubtful debts, provision for future obligations under employment retirement benefit plan and estimated useful life of property, plant and equipment and intangible assets. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current and non-current classification

All assets and liabilities are classified into current and non-current.

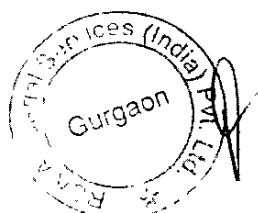
Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.



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Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents

2.4 Revenue recognition

Revenue from services

Revenue from services are recognised on accrual basis and on the basis of the actual cost incurred plus agreed upon mark-up, per terms specified in the service agreement, provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection.

Interest income on fixed deposits

Interest on the deployment of surplus funds is recognised using the time-proportion method, based on interest rates contracted in the transaction.

Export incentive (SEIS Scripts)

Incentives are recognised in the Statement of Profit and Loss when there is reasonable assurance that the company will comply with the conditions for their receipt and a reasonable expectation that the funds will be received.

2.5 Property, plant and equipment

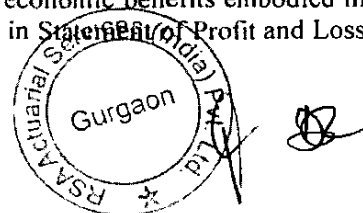
Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment loss if any. Cost of an item of property, plant and equipment comprise its purchase price including import duties and non-refundable taxes (after deducting trade discounts and rebates) and any directly attributable cost of bringing the item to its working condition for its intended use. Gains or losses on disposal of an item of property plant and equipment are recognised in the Statement of Profit and Loss.

2.6 Intangible assets

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the assets will flow to the Company and its cost can be measured reliably.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in Statement of Profit and Loss as incurred.



2.7 Depreciation and amortisation

Depreciation on property, plant and equipment (except leasehold improvement) has been provided pro-rata to the period of use, on the straight-line method, using rates determined based on management's assessment of useful economic lives of the asset, which are consistent to the life specified under Schedule II to the Companies Act, 2013.

The useful life estimated by the management are equal to the useful lives prescribed under Schedule II of the Companies Act, 2013. Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Following are the estimated useful life of various category of property, plant and equipment used:

| Assets | Useful life |
|-------------------------------|-------------|
| Computer | 3 years |
| Computer servers and networks | 6 years |
| Office equipment | 5 years |
| Furniture and fixtures | 10 years |

Intangible assets currently comprises of computer software which are amortised over a period of three years under straight line method which, as per management, reflects the economic useful life of these computer software. The amortisation method, residual value and the useful lives of intangible assets are reviewed annually and adjusted as necessary.

2.8 Impairment

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine if there is any indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

2.9 Foreign exchange transactions

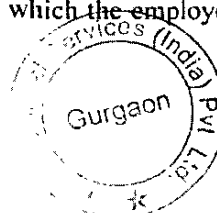
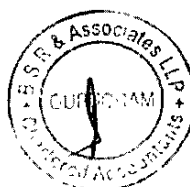
Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. Exchange differences arising due to the differences in the exchange rate between the transaction date and the date of settlement of any monetary items is recognised in the Statement of Profit and Loss.

Monetary assets and monetary liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet and resultant gain/ loss, if any, is recorded as an income or any expense in the period in which they arise.

2.10 Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, compensated absences, bonus etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.



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Post-employment benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contribution to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administrative fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the specified services.

Defined-benefit plan

The Company's gratuity scheme is a defined benefit plan. The Company's liability towards gratuity is calculated on the basis of actuarial valuation carried out by an independent actuary on the Balance Sheet date. The gratuity liability is calculated using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan or long term employee benefit are recognised when the curtailment or settlement occurs.

The Company has taken a group policy with Life Insurance Corporation of India (LIC) to meet its obligation towards gratuity.

2.11 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

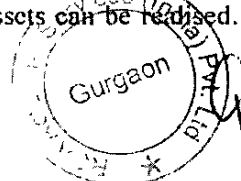
2.12 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. The total lease rentals (including schedule rental increase) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss account on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

2.13 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax laws) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year).

Current tax is measured at the amount expected to be paid to/ recovered from the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax



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assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case maybe) to be realised.

2.14 Provisions, contingent liabilities and contingent assets

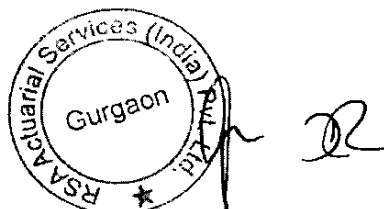
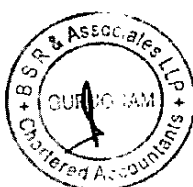
A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.15 Cash and cash equivalents

Cash and cash equivalents comprises cash balance in hand and with bank and highly liquid investments with maturity period of three months or less from the date of investment.



RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
[All amounts in Rupees, unless otherwise stated]

| | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Note 3.1 : Share capital | | |
| (a) Authorised | | |
| 10,000,000 (Previous year 10,000,000) equity shares of Rs 10 each fully paid up | 100,000,000 | 100,000,000 |
| Issued, subscribed and fully paid-up | | |
| 3,759,833 (Previous year. 3,759,833) equity shares of Rs 10 each fully paid up | 37,598,330 | 37,598,330 |
| | <u>37,598,330</u> | <u>37,598,330</u> |

(b) Reconciliation of shares outstanding at the beginning and at the end of the year

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|---------------------------------|---------------------|-------------------|---------------------|-------------------|
| | Number of shares | Amount | Number of shares | Amount |
| Equity shares | | | | |
| At the commencement of the year | 3,759,833 | 37,598,330 | 3,759,833 | 37,598,330 |
| At the end of the year | <u>3,759,833</u> | <u>37,598,330</u> | <u>3,759,833</u> | <u>37,598,330</u> |

(c) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such amount will be in proportion to the number of equity shares held by the stockholders.

(d) Shares held by holding/ultimate holding company and/or their subsidiaries and associates:

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|------------------------------------|---------------------|------------|---------------------|------------|
| | Number of shares | Amount | Number of shares | Amount |
| Royal & Sun Alliance Insurance Plc | 3,759,832 | 37,598,320 | 3,759,832 | 37,598,320 |

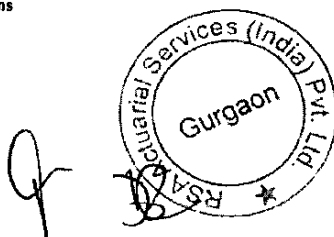
(d) Particulars of shareholders holding more than 5% shares

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|--|---------------------|------------|---------------------|------------|
| | Number of shares | Amount | Number of shares | Amount |
| Royal & Sun Alliance Insurance Plc [99.99% (previous year 99.99%)] | 3,759,832 | 37,598,320 | 3,759,832 | 37,598,320 |

| | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Note 3.2: Reserve and surplus | | |
| Securities premium account | | |
| Balance at the beginning and end of the year | 10,616,670 | 10,616,670 |
| Surplus in Statement of Profit and Loss | | |
| Balance at the beginning of the year | 110,373,156 | 77,892,692 |
| Profit for the year | 38,579,660 | 32,480,464 |
| Balance at the end of the year | <u>148,952,816</u> | <u>110,373,156</u> |
| Total reserve and surplus | <u>159,569,486</u> | <u>120,989,826</u> |

| | Non-current | | Current | |
|---|------------------------|------------------------|------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 | As at 31 March 2019 | As at 31 March 2018 |
| Note 3.3 Other long term liabilities | | | | |
| Lease equalisation reserve | 525,880 | 2,103,519 | 1,577,639 | 1,577,639 |
| | <u>525,880</u> | <u>2,103,519</u> | <u>1,577,639</u> | <u>1,577,639</u> |

| | As at 31 March 2019 | As at 31 March 2018 |
|---------------------------------------|------------------------|------------------------|
| Note 3.4: Long-term provisions | | |
| Provision for employee benefit | | |
| - Gratuity | 3,618,410 | 2,996,069 |
| | <u>3,618,410</u> | <u>2,996,069</u> |



RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
[All amounts in Rupees, unless otherwise stated]

Note 3.5: Trade payables

Trade payables

- Total outstanding dues to micro and small enterprises*
- Total outstanding dues to creditors other than micro enterprises and small enterprises

As at
31 March 2019

As at
31 March 2018

| | |
|-------------------|-------------------|
| - | - |
| 16,145,379 | 25,860,168 |
| <u>16,145,379</u> | <u>25,860,168</u> |

*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at the year end has been made in the financial statements based on information received and available with the company. Based on the information received from vendor, there are no dues outstanding to micro and small enterprises (suppliers) covered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March 2019 and as at 31 March 2018

Note 3.6: Other current liabilities

- Current portion of lease equilisation reserve
- Employee benefits payable
- Statutory dues payable
- Other payables

As at
31 March 2019

As at
31 March 2018

| | |
|-------------------|-------------------|
| 1,577,639 | 1,577,639 |
| 10,441,144 | 9,320,136 |
| 11,016,204 | 6,745,235 |
| 382,495 | - |
| <u>23,417,483</u> | <u>17,643,010</u> |

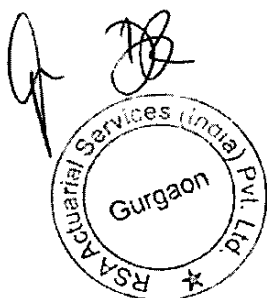
Note 3.7: Short-term provisions

- Provision for employee benefit
- Compensated absences

As at
31 March 2019

As at
31 March 2018

| | |
|------------------|------------------|
| 1,309,882 | 1,385,156 |
| <u>1,309,882</u> | <u>1,385,156</u> |



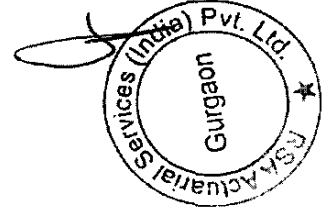
RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
[All amounts in Rupees, unless otherwise stated]

Note 3.8 : Property, plant and equipment

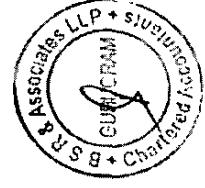
| Particulars | Leasehold improvements | Furniture and fixtures | Office equipment | Computers | Total |
|---------------------------------|------------------------|------------------------|------------------|------------|------------|
| Gross block | | | | | |
| Balance as at 1 April 2017 | 32,505,815 | 7,927,587 | 1,822,748 | 11,812,288 | 54,068,438 |
| Additions | 608,500 | 586,906 | 253,049 | 8,943,699 | 10,392,154 |
| Balance as at 31 March 2018 | 33,114,315 | 8,514,493 | 2,075,797 | 20,755,987 | 64,460,592 |
| Additions | - | 55,800 | 17,585 | 8,127,509 | 8,200,894 |
| Disposals | - | - | 978,471 | 739,863 | 1,718,334 |
| Balance as at 31 March 2019 | 33,114,315 | 8,570,293 | 1,114,911 | 28,143,633 | 70,943,152 |
| Accumulated depreciation | | | | | |
| Balance as at 1 April 2017 | 22,881,992 | 3,731,286 | 1,391,934 | 10,539,599 | 38,544,811 |
| Depreciation for the year | 2,463,134 | 771,213 | 224,951 | 2,498,801 | 5,958,099 |
| Balance as at 31 March 2018 | 25,345,126 | 4,502,499 | 1,616,885 | 13,038,400 | 44,502,910 |
| Depreciation for the year | 2,616,022 | 810,547 | 97,881 | 3,843,433 | 7,367,883 |
| Depreciation on disposals | - | - | 956,903 | 701,532 | 1,658,435 |
| Balance as at 31 March 2019 | 27,961,149 | 5,313,046 | 757,864 | 16,180,501 | 50,212,558 |
| Net block | | | | | |
| As at 31 March 2018 | 7,769,189 | 4,011,994 | 458,912 | 7,717,587 | 19,957,682 |
| As at 31 March 2019 | 5,153,166 | 3,257,247 | 357,047 | 11,963,332 | 20,730,794 |

Note 3.8 : Intangible assets

| Particulars | Computer softwares |
|---------------------------------|--------------------|
| Gross block | |
| Balance as at 1 April 2017 | 3,060,726 |
| Additions | 578,350 |
| Balance as at 31 March 2018 | 3,639,076 |
| Additions | - |
| Balance as at 31 March 2019 | 3,639,076 |
| Accumulated amortization | |
| Balance as at 1 April 2017 | 2,823,896 |
| Amortisation for the year | 291,881 |
| Balance as at 1 April 2018 | 3,115,777 |
| Amortisation for the year | 192,783 |
| Balance as at 31 March 2019 | 3,308,560 |
| Net block | |
| As at 31 March 2018 | 523,299 |
| As at 31 March 2019 | 330,515 |



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Note 3.9: Deferred tax asset

| | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Difference between written down value of fixed assets as per books and as per Income-tax Act, 1961 | 2,376,432 | 1,947,943 |
| Lease equalisation reserve | 585,199 | 1,024,098 |
| Provision for employee benefits | 3,643,013 | 2,997,012 |
| Dissallowance under section 40a(ia) of Income-tax Act, 1961 | - | 171,093 |
| | <u>6,604,644</u> | <u>6,140,146</u> |

Note 3.10: Long-term loans and advances
(unsecured, considered good)

| | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Security deposits | 7,138,426 | 7,138,426 |
| Advance tax | 993,566 | 1,170,911 |
| (Net of provision for income-tax Rs. 37,171,136 (previous year- Rs. 21,740,412)) | <u>8,131,992</u> | <u>8,309,337</u> |

Note 3.11: Trade receivables
(Unsecured, considered good)

| | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Receivables outstanding for a period exceeding six months from the date they became due for payment | - | - |
| Other receivables | 12,205,373 | 5,402,063 |
| | <u>12,205,373</u> | <u>5,402,063</u> |

Note 3.12: Cash and cash equivalents

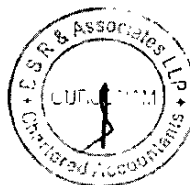
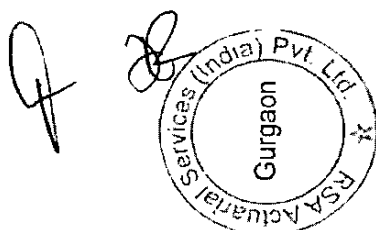
| | As at 31 March 2019 | As at 31 March 2018 |
|--------------------------------|------------------------|------------------------|
| Cash and cash equivalents | | |
| Cash-in-hand | 10,985 | 1,302 |
| Balances with scheduled banks: | | |
| - on current accounts | 107,080,251 | 89,834,885 |
| | <u>107,091,236</u> | <u>89,836,187</u> |

Note 3.13: Short-term loans and advances
(unsecured, considered good)

| | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------|------------------------|------------------------|
| Prepaid expenses | 2,355,287 | 1,105,085 |
| Advance to suppliers | 128,993 | 636,324 |
| Balance with government authorities | 20,366,759 | 14,518,665 |
| Advance to employees | 4,568 | 8,592 |
| | <u>22,855,607</u> | <u>16,268,666</u> |

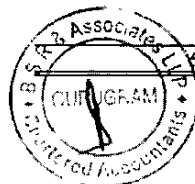
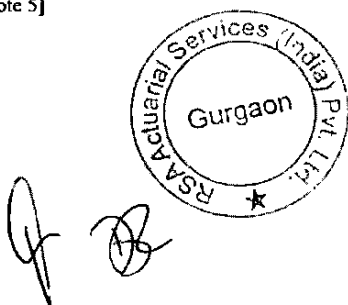
Note 3.14: Other current assets

| | As at 31 March 2019 | As at 31 March 2018 |
|-----------------------------|------------------------|------------------------|
| Unbilled revenue | 51,818,971 | 55,448,321 |
| Export incentive receivable | 12,415,718 | 6,690,376 |
| | <u>64,234,689</u> | <u>62,138,697</u> |



RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
[All amounts in Rupees, unless otherwise stated]

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---|-------------------------------------|-------------------------------------|
| Note 3.15 Revenue from operations | | |
| Sale of services | 295,649,535 | 239,673,394 |
| | <u>295,649,535</u> | <u>239,673,394</u> |
| Note 3.16: Other income | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
| Interest on fixed deposits | 3,434,838 | 2,611,999 |
| Interest on income tax refund | - | 100,985 |
| Foreign exchange gain (net) | 7,387,864 | 3,273,388 |
| Export incentives | 13,140,047 | 16,411,953 |
| Miscellaneous income | - | 18,845 |
| | <u>23,962,749</u> | <u>22,417,170</u> |
| Note 3.17: Employee benefits expenses | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
| Salaries and bonus | 186,503,997 | 143,425,294 |
| Contribution to provident fund | 7,052,832 | 5,157,228 |
| Staff welfare | 10,853,519 | 8,406,743 |
| | <u>204,410,348</u> | <u>156,989,265</u> |
| Note 3.18: Finance costs | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
| Interest expense | 115,104 | 185,741 |
| - on income tax | - | 933 |
| - others | - | - |
| | <u>115,104</u> | <u>186,674</u> |
| Note 3.19: Depreciation and amortisation | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
| Property, plant and equipment | 7,367,883 | 5,958,099 |
| Intangible assets | 192,783 | 291,881 |
| | <u>7,560,666</u> | <u>6,249,980</u> |
| Note 3.20: Other expenses | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
| Rent | 9,791,713 | 9,926,879 |
| Travelling and conveyance | 8,661,102 | 5,166,472 |
| Software licence charges | 12,364,020 | 9,871,877 |
| Legal and professional [Refer note 5] | 9,376,329 | 13,186,049 |
| Communication costs | 5,138,080 | 4,257,549 |
| Repair and maintenance- others | 5,148,127 | 5,879,245 |
| Power and fuel office | 1,820,122 | 1,880,877 |
| Rates and taxes | 127,541 | 116,583 |
| Bank charges | 139,004 | 260,868 |
| Miscellaneous | 1,414,242 | 1,911,986 |
| | <u>63,980,280</u> | <u>52,458,385</u> |



RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
(All amounts in Rupees, unless otherwise stated)

4. a) Earnings in foreign currency:

| Particulars | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|--------------------|-------------------------------------|-------------------------------------|
| Export of services | 295,649,535 | 239,673,394 |
| Total | 295,649,535 | 239,673,394 |

b) Expenditure in foreign currencies:

| Particulars | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---------------------------------|-------------------------------------|-------------------------------------|
| Travelling expenses | 1,961,853 | 1,472,465 |
| Secondment expenses | 9,736,379 | 12,640,904 |
| Staff welfare expenses | 445,217 | 195,870 |
| Training expenses | - | 332,667 |
| Software license expenses | 10,981,413 | 8,585,334 |
| Communication expenses | 3,632,731 | 2,621,124 |
| Legal and professional expenses | 197,121 | - |
| Miscellaneous expenses | - | 8,999 |
| Total | 26,954,714 | 25,857,363 |

5. Auditor's remuneration:

"Legal and professional fees" includes auditor's remuneration (excluding taxes) as under:

| Particulars | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---------------------|-------------------------------------|-------------------------------------|
| Payment to auditors | | |
| - Audit fees | 900,000 | 835,000 |
| - Tax audit | 150,000 | 150,000 |
| - Others | - | 40,000 |
| - Outlays | 100,000 | 50,000 |

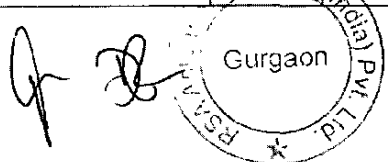
6. Operating leases

The Company operating lease arrangement are in respect of office premises under lease arrangement. The lease payments recognized in Statement of Profit and Loss for the year is Rs. 9,791,713 (Previous year Rs. 9,926,879).

7. Unhedged foreign currency exposure:

The year-end foreign currency exposures that have not been hedged by derivative instruments, or otherwise, are given below:

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|-------------------|-------------------------------|-------------------------------|-------------------------------|---------------------|
| | Amount in foreign currency | Amount in foreign currency | Amount in foreign currency | Amount in Rupees |
| Trade receivables | USD 85,557 | 5,803,331 | USD 10,708 | 681,350 |
| Trade receivables | EURO 62,694 | 4,747,817 | EURO 16,003 | 1,256,555 |
| Trade receivables | CAD 32,933 | 1,654,225 | CAD 70,467 | 3,464,157 |
| Trade payable | GBP 94,531 | 8,562,559 | GBP 179,915 | 16,183,382 |
| Unbilled revenue | GBP 84,664 | 7,668,886 | GBP 186,224 | 16,881,255 |
| Unbilled revenue | EURO 179,435 | 13,588,600 | EURO 120,068 | 9,532,219 |
| Unbilled revenue | CAD 474,906 | 23,854,549 | CAD 483,975 | 24,706,896 |
| Unbilled revenue | USD 98,879 | 6,706,937 | USD 67,090 | 4,327,951 |



RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
(All amounts in Rupees, unless otherwise stated)

8. Particulars relating to Accounting Standard 15 "Employee Benefits" (Revised) is provided below:

Defined benefit plan – Gratuity

In accordance with the revised Accounting Standard 15, the requisite disclosures are as follows:

| I Principal actuarial assumptions | As at 31 March 2019 | As at 31 March 2018 |
|--|--|--|
| Discount rate | 7.60% p.a. | 7.95% p.a. |
| Future salary increases | 13% p.a. for first 4 years and 10.00% p.a. thereafter | 13% p.a. for first 4 years and 10.00% p.a. thereafter |
| Expected return on plan assets | 8.00% p.a. | 8.00% p.a. |
| Attrition rate | Up to age 30: 15% p.a. Up to age 31-45: 10% p.a. Up to age 46 and above: 5% p.a. | Up to age 30: 15% p.a. Up to age 31-45: 10% p.a. Up to age 46 and above: 5% p.a. |
| Mortality table used | Indian Assured Lives Mortality (2006-08) Ultimate | Indian Assured Lives Mortality (2006-08) Ultimate |

II The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on the published statistics and mortality tables. The calculations of the defined benefit obligation is sensitive to mortality assumptions.

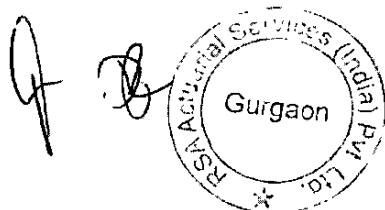
Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to provident fund for the year amounting to Rs. 7,052,832 (previous year Rs. 5,157,228)

9. Related party disclosures

(a) Related parties and their relationships

- I Ultimate holding company**
RSA Insurance Group Plc
- II Holding company**
Royal & Sun Alliance Insurance Plc, U.K.
- III Fellow subsidiary company**
 Royal & Sun Alliance Insurance Company of Canada
 RSA Insurance Ireland Limited
 Codan Forsikring A/S
 Codan Forsikring NUF
 Al Alamiya For Coopertive Insurance Company
 Al Ahlia Insurance Compant SAOC
 Roins Financial Services Limited
 Royal & Sun Alliance Insurance (Middle East) Limited E.C
- IV Key managerial person**
 Vikas Newatia (Appointed on 4 September 2017)
 Ajay Singh Bimbhet (till 31 December 2017)



RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
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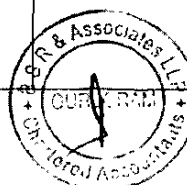
(b) Statement of transactions during the year:

| Particulars | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---|-------------------------------------|-------------------------------------|
| <u>Sale of services</u> | | |
| (Holding company) | | |
| Royal & Sun Alliance Insurance Plc | 31,694,699 | 19,176,672 |
| (Ultimate holding company) | | |
| RSA Insurance Group Plc | 89,821,017 | 97,375,400 |
| (Fellow subsidiaries) | | |
| Royal & Sun Alliance Insurance Company of Canada | 97,143,043 | 28,265,464 |
| RSA Insurance Ireland Limited | 32,371,651 | 17,095,818 |
| Codan Forsikring A/S | 17,738,893 | 11,531,250 |
| Al Ahlia Insurance Company SAOC | 2,416,530 | 411,747 |
| Al Alamiya For Cooperative Insurance Company | 485,996 | 1,399,885 |
| Roins Financial Services Limited | - | 56,208,582 |
| Royal & Sun Alliance Insurance (Middle East) Limited E.C. | 23,977,706 | 8,208,576 |
| <u>Reimbursement of secondment cost (Paid/Payable)</u> | | |
| (Ultimate holding company) | | |
| RSA Insurance Group Plc | 9,736,379 | 12,640,904 |
| <u>Reimbursement of other staff expenses (Paid/Payable)</u> | | |
| (Ultimate holding company) | | |
| RSA Insurance Group Plc | 445,217 | 195,870 |
| <u>Reimbursement of Legal and professional expenses (Paid/Payable)</u> | | |
| (Ultimate holding company) | | |
| RSA Insurance Group Plc | 197,121 | - |
| <u>Reimbursement of communication expenses</u> | | |
| (Holding company) | | |
| Royal & Sun Alliance Insurance Plc | 3,632,731 | 2,621,124 |
| <u>Reimbursement of software license expenses</u> | | |
| (Holding company) | | |
| RSA Insurance Group Plc | 1,864,792 | - |
| <u>Reimbursement of other expenses</u> | | |
| (Ultimate holding company) | | |
| RSA Insurance Group Plc | - | 8,999 |
| <u>Key managerial person</u> | | |
| Vikas Newatia (Salaries and bonus) | 14,888,760 | 6,845,432 |
| Ajay Singh Bimbhet (Legal and Professional) | 1,180,000 | 5,250,000 |

(c) Balances outstanding as at year end:

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|---------------------|---------------------|
| <u>Trade receivables</u> | | |
| (Fellow subsidiary) | | |
| RSA Insurance Ireland Limited | 2,525,444 | - |
| Codan Forsikring A/S | 2,222,373 | 1,256,556 |
| Royal & Sun Alliance Insurance Company of Canada | 1,654,225 | 3,464,157 |
| Royal & Sun Alliance Insurance (Middle East) Limited E.C. | 5,803,331 | 681,350 |

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RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
(All amounts in Rupees, unless otherwise stated)

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|---------------------|---------------------|
| Unbilled revenue | | |
| <i>(Holding company)</i> | | |
| Royal & Sun Alliance Insurance Plc | 7,668,886 | 5,629,561 |
| <i>(Ultimate holding company)</i> | | |
| RSA Insurance Group Plc | - | 11,251,694 |
| <i>(Fellow subsidiary)</i> | | |
| Codan Forsikring A/S | 4,446,784 | 5,006,468 |
| RSA Insurance Ireland Limited | 9,141,816 | 4,525,751 |
| Royal & Sun Alliance Insurance Company of Canada | 23,854,549 | 24,706,896 |
| Al Ahlia Insurance Company SAOC | 49,765 | - |
| Al Alamiya For Cooperative Insurance Company | 313,932 | 314,666 |
| Royal & Sun Alliance Insurance (Middle East) Limited E.C. | 6,343,240 | 4,013,285 |
| Trade payables | | |
| <i>(Ultimate holding company)</i> | | |
| RSA Insurance Group Plc | 3,675,534 | 14,332,184 |
| <i>(Holding company)</i> | | |
| Royal & Sun Alliance Insurance Plc | 4,887,025 | 1,785,776 |

10. Earnings per equity share (EPS):

| Particulars | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---|-------------------------------------|-------------------------------------|
| Profit after tax | 38,579,660 | 32,480,464 |
| Net profit attributable to equity shares in calculating basic EPS | 38,579,660 | 32,480,464 |
| Weighted average number of equity shares in calculating basic EPS | 3,759,833 | 3,759,833 |
| Nominal value per share | 10 | 10 |
| Basic earnings per share | 10.26 | 8.64 |

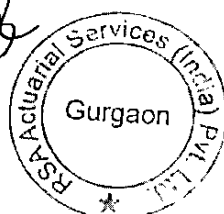
11. Contingent liability:

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Statutory bonus for the financial year 2014-2015 | 390,500 | 390,500 |

12. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for international transactions entered into with the holding company and other associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under that law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

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RSA Actuarial Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2019
(All amounts in Rupees, unless otherwise stated)

13. The Company is a Small and Medium Sized Company (SMC) as defined in the general instructions in respect of accounting standards notified under section 133 of the Companies Act, 2013. Accordingly, the Company has complied with the accounting standards applicable to a SMC read together other requirements of the Companies Act, 2013.

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 116231W/W-100024

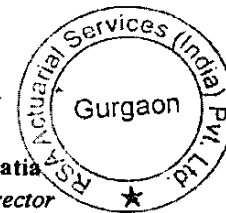
Sharma

Gajendra Sharma
Partner
Membership No.: 064440
UDIN: 19064440AAAABJ7482

Place: Gurugram
Date: 19 September 2019

For and on behalf of the Board of Directors of
RSA Actuarial Services (India) Private Limited

Vikas Newatia
Vikas Newatia
CEO & Director
DIN:00918959



David Norman Roberts

David Norman Roberts
Director
DIN:03187849

Place: Gurugram
Date: 19 September 2019

Place: Gurugram
Date: 19 September 2019