

Leadership and beyond



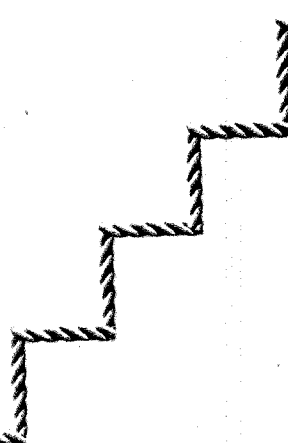
दि न्यू इन्डिया एश्योरन्स कंपनी लिमिटेड
The New India Assurance Co. Ltd.

India's Premier Multinational General Insurance Company



Managing Risks

Creating Value



ANNUAL REPORT 2016-17

1919-20. THE NEW INDIA ASSURANCE COMPANY, LIMITED.

Head Office: Wallace St., BOMBAY.

Established 23rd July 1919.

BOMBAY & CALCUTTA AGENTS: MESSRS. TATA SONS, LIMITED.
LONDON AGENTS: MESSRS. SEDGWICK COLLINS (AGENCIES), LIMITED.

Report of the Directors and Balance Sheet for the period ending
31st March 1920.

CAPITAL:		
Authorised Capital	Rs.	20,00,00,000
Subscribed Capital	"	11,86,84,250
Paid up Capital	"	1,18,68,425

DIRECTORS:

SIR D. I. TATA, KT. (Chairman).
SIR SASSOON DAVID, BART. (Vice-Chairman).
THE HON'BLE SIR FAZULBHAI
GURRIMBHAI, KT., C.B.E.
R. D. TATA, Esq.
THE HON'BLE MR. LALUBHAI
SAMALDAS, C.I.E.
RAI BAHADUR JAMNALAL BACHHRAJ.
RAMNARAIN HARNANDRAI, Esq.

B. J. PADSHAH, Esq.
THE HON'BLE MR. PHIROZ Z.C. SETHNA, O.B.E.
THE HON'BLE MR. PURSHOTAMDAS
THAKURDAS, C.I.E., M.B.E.
A. J. BILIMORIA, Esq.
N. B. SAKLATVALA, Esq.
F. E. DINSHAW, Esq.

FIRE & MARINE MANAGER:
R. J. DUFF

GENERAL MANAGER:

LT.-COL. J. REID HYDE, C. B. E.

SECRETARY:

R. P. GANDHI.

BANKERS:

THE TATA INDUSTRIAL BANK, LIMITED

SOLICITORS:

Messrs. PAYNE & Co.

AUDITORS:

Messrs. S. B. BILLING, P.L.L.

Messrs. A. F. FERGUSON & Co.,
Chartered Accountants.

Left to Right:
New India's Directors' Report
and Balance Sheet for the period
ended March 31, 1920 and;
Notice for the First Ordinary
General Meeting of its
shareholders held on
September 20, 1920

THE NEW INDIA ASSURANCE COMPANY, LIMITED

Established 23rd July 1919

REPORT AND BALANCE SHEET

Report of the Directors and Balance Sheet
for the period ended 31st March 1920.

NOTICE is hereby given that the First
Ordinary General Meeting of the
Shareholders of the Company will be held
at Navami Buildings, Fort, Bombay, on
Monday, the 20th September 1920, at
4 p.m. (S.T.)

(1) To receive the Directors' Report and to adopt
the Audited Accounts for the period ended
31st March 1920.

(2) To elect two Directors in place of Mr. R.
D. Tata and Mr. N. B. Salarda, who have
been appointed Directors until the end of
the Company's Articles of Association and
retire, under the same Article, but are
eligible for re-election and offer themselves
accordingly.

(3) To elect two Directors in place of Mr. A.
J. Bilimoria and Mr. F. E. Dinshaw, who
retire by rotation, and are eligible for
re-election and offer themselves accordingly.

(4) To appoint Auditors for the current year
and to determine their remuneration.

(5) To transact any business which may come
before the Meeting.

By Order of the Board,
R. P. GANDHI,
Secretary.

THE TATA INDUSTRIAL CORPORATION LIMITED,
11, Chawli Bazar Street, Fort, Bombay.

PRESENCE IN 28 COUNTRIES ACROSS THE GLOBE



Head Office - Mumbai, India

Foreign Branches

Foreign Agencies

Subsidiary Company

Associates

Presence In Other Countries

Representative Office

FOREIGN BRANCHES	FOREIGN AGENCIES	SUBSIDIARY COMPANIES	ASSOCIATES PRESENCE IN OTHER COUNTRIES
Japan	Abu Dhabi (U.A.E.)	Nigeria	Singapore
Hong Kong	Dubai (U.A.E.)	Trinidad & Tobago	Kenya
Philippines	Bahrain	St. Lucia	Saudi Arabia
Thailand	Kuwait	Dominica	
Australia	Oman	St. Maarten	
Fiji	Dutch Caribbean	Guyana	
Mauritius	Netherlands Antilles	Anguilla	
U.K.		Sierra Leone	
New Zealand			



Our Vision

New India will continue to be:

- The Largest non-life insurance company in India with a strong global presence.
- Recognized for the highest levels of customer service.
- The employer of choice, known for its energetic and motivated workforce.
- An innovative, nimble and technology enabled company.
- A socially responsible organization with best corporate governance.
- The most preferred and trusted brand, surpassing stakeholders expectations.





Company Highlights

• Gross Premium (Global) ₹ 22279 crore

• Investment Income ₹ 4517 crore

• Profit Before Tax ₹ 1164 crore

• Profit After Tax ₹ 1008 crore

• Dividend ₹ 310 crore

• Servicing more than 28 million policies.

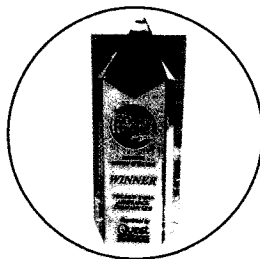




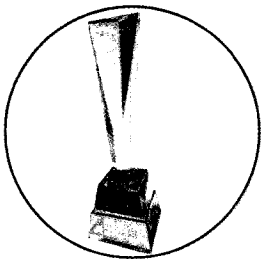
Awards & Recognitions



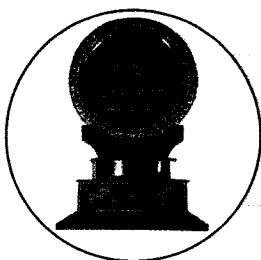
**Golden Peacock Business
Excellence Award 2017**



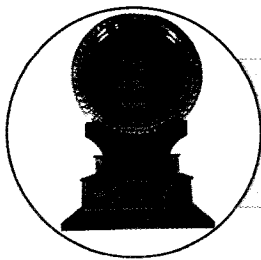
**Quest Conferences India Insurance
Summit - Insurance Company of the Year**



**Dun & Bradstreet BFSI Awards 2017 -
India's Leading Insurance Company -
Non-Life Public Sector**



**Fintelekt Insurance Awards 2017 - Personal
Lines Growth Leadership (Public Sector
General Insurance)**



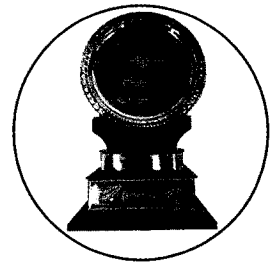
**Fintelekt Insurance Awards 2017 - Claims
Service Leader (General Insurance - Large
Category)**



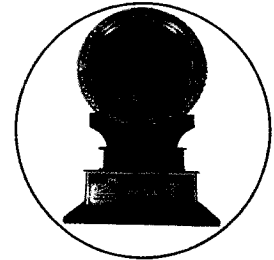


Awards & Recognitions

Fintelekt Insurance Awards 2017 -
e-Business Leader (General Insurance
- Large Category)



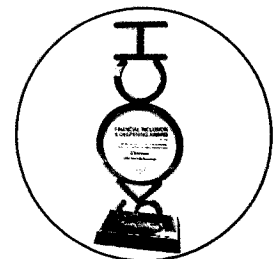
Fintelekt Insurance Awards 2017 - Social
Inclusion Public Sector (General Insurance)



Quest Conferences India Insurance Summit 2017
- Lifetime Achievement Award - Mr. G. Srinivasan



Skoch Excellence in Financial
Sector 2017 – Mr. G. Srinivasan



First Shareholders (1919)

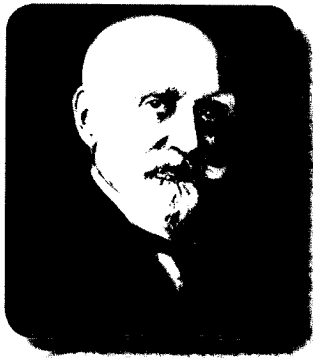


Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains.



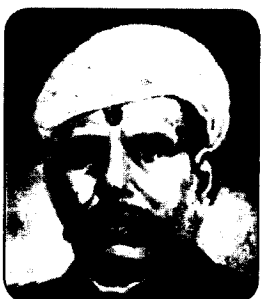
2000-2001



3.1.3.3. *Staphylinidae* (Coleoptera)



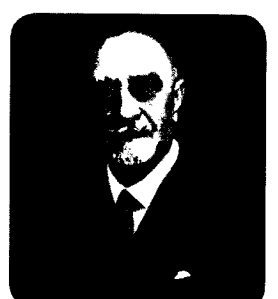
THE UNIVERSITY OF CHICAGO

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14. The following information applies to the questions that follow:



MD 178108



DISCUSSION



John Henry "Reddy" Thackeray



Körb. A. 7. Bollenstraße

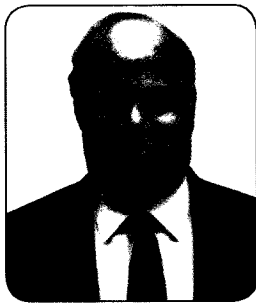


MOBILE, ALA. (UPI) —

Six. Freedom of Access



Directors with Profile



Mr. G. Srinivasan
Chairman cum Managing Director

Mr. G. Srinivasan is the Chairman cum Managing Director of The New India Assurance Company Limited since 18th October 2012. Prior to his appointment as CMD of New India, he was the CMD of United India Insurance Co. Ltd. He is an Associate of Institute of Cost Accountants and also a Fellow of The Insurance Institute of India. He has vast experience in the General Insurance Industry and has worked at various places in India and abroad having handled both operations as well as Corporate management level portfolios. He was Managing Director of New India Assurance Co. (Trinidad & Tobago) Ltd., in the Caribbean. He is a member of many committees of Government of India, IRDA, etc. He is Chairman, General Insurance Council and GIPSA (General Insurance Public Sector Association), Delhi. He is a Director on many Boards. Mr. G. Srinivasan has won many awards and accolades in the field of Insurance.



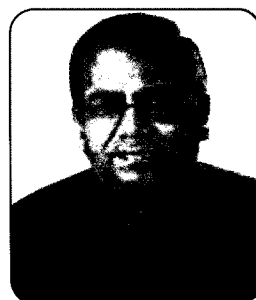
Mr. Mohammad Mustafa
Director

Mr. Mohammad Mustafa, IAS has been a Joint Secretary of Department of Financial Services, Government of India since March 2014. Mr. Mohammad served as the Chairman of the Board of National Housing Bank and also Managing Director from May 13, 2014 to July 13, 2015. He served as Government Nominee Director of Union Bank of India since October 1, 2013 until November 25, 2014. He has also been a Non-Executive Nominee Director of Bank of Baroda. He served as a Government Nominee Director of Andhra Bank from September 25, 2012 to October 4, 2013.



Mr. Hemant G. Rokade
Whole Time Director

Shri Hemant G. Rokade joined GIC Re as a Direct Recruit Officer in 1983 and was posted in the Investment Department in GIC Re. He has worked in various capacities & verticals in GIC Re, including Equity, Debt, Investment Appraisal, Accounts, Audit/ Administration etc. Mr. Rokade is having experience in Aviation Reinsurance and Compliance of various regulatory requirements. He was also entrusted with the responsibilities of International Operations Credit Trading during 2008 to 2011. Prior to joining New India, he served as a General Manager in GIC since November 2012. He also served as MD & CEO to IDBI Trusteeship from November 2012 till January 2016.

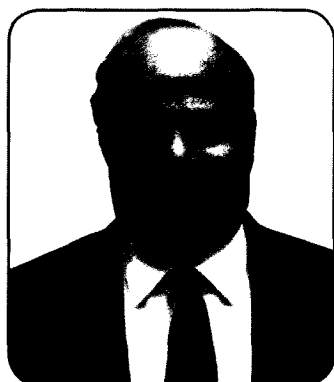


Mr. Anil Kumar
Whole Time Director

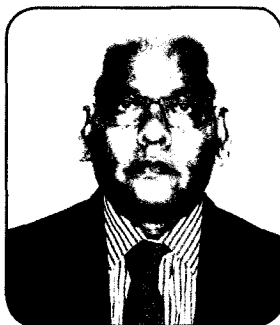
Mr. Anil Kumar joined the Industry in the year 1986 when GIC decided to set up dedicated IT dept. in various companies and was allocated to The Oriental Insurance Co. Ltd. He was a key member of the core IT group created by GIC to develop and implement common DOSYSTEM Software across all DOs of all companies. He spearheaded the IT initiative in OICL and he implemented Centralized Web based Core Insurance Solution in OICL in the year 2006 which was a pioneering work done by him as it was the 1st implementation of its kind which was based on Centralized Architecture. Now every other Company has fallen in line and has gone for the similar architecture. He was promoted in DGM cadre in the year 2008 and was allocated to The New India Assurance Co. Ltd. However, he was held back for 2 years in OICL itself as DGM as per Ministry guidelines and thus he joined The New India Assurance Co. in 2010. He was promoted as General Manager in 2014.



Corporate Management



Mr. C. Srinivasan
Chairman cum Managing Director



Mr. Hemant C. Rokade
Whole Time Director



Mr. Anil Kumar
Director & General Manager



Mr. Mohd Zafir Alam
General Manager



Mr. C Narambunathan
General Manager



Mr. S Pradhan
General Manager



Ms. Tajinder Mukherjee
General Manager



Ms. S N Rajeswari
General Manager



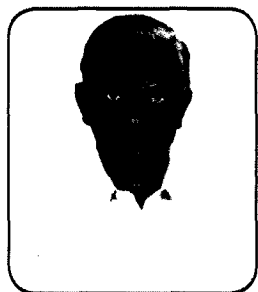
Mr. R Gangadharan
General Manager



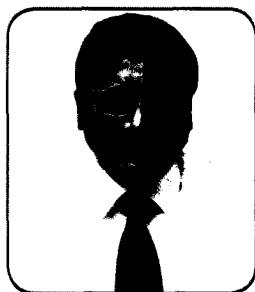
Mr. R. M Singh
General Manager



Mr. J. K. Garg
General Manager



Mr. S Shankar
General Manager



Mr. Anant Upadhyay
Chief Vigilance Officer



Mr. Sharad S. Ramnarayanan
Appointed Actuary



Ms. Jayashree Nair
Company Secretary



Directors & Executives

Chairman cum Managing Director

Mr. G. Srinivasan

Directors

Mr. Mohammad Mustafa

Mr. Hemant G. Rokade

Mr. Anil Kumar

General Managers

Mr. Hemant G. Rokade

Mr. Anil Kumar

Mr. Mohd. Zafir Alam

Mr. C. Narambunathan

Mr. S. Pradhan

Ms. Tajinder Mukherjee

Ms. S.N. Rajeswari

Mr. Girish Radhakrishnan*

Mr. Renjit Gangadharan

Mr. R.M. Singh

Mr. J.K. Garg

Mr Balla Swamy*

Mr. S. Shankar

Mr. Sharad S. Ramnarayanan

Chief Vigilance Officer

Mr. Lalit Kumar Vaid (up to 14.10.2016)

Mr. Ravi Chaudhary (from 08.12.2016 to 31.03.2017)

Mr. Anant Upadhyay (from 01.04.2017)

Deputy General Managers

Mr. K. Ravishankar*

Mr. D.S. Sarma

Ms. Shobha G. Reddy

Ms. Radhika Saberwal*

Mr. Sanjiv Singh

Mr. I.V. Amaladoss

Mr. K .C. Hessa

Mr. A.P. Vasudeva

Mr. S. Chiranjeevi Reddy

Mr. John Philip

Mr. Anjan Dey*

Mr. M. Shankar

Mr. A.K. Jain

Ms. Gouri R. Dinakaran

Ms. J.Jayanthi

Mr. S.R. Shreeram

Mr. A.K. Longani

Ms. Neera M. Saxena

Mr. Rajesh Kalra

Mr. S. P. Sinha

Dr. N. G. Srinivasan

Mr. P. K. Sahu*

Mr. Inderjeet Singh

Mr. A. K. Sirohi

Mr. Rajesh

Mr. P. K. Behera *

Ms. Rekha Gopalakrishnan

Mr. S. K. Behera

Mr. T. B. Prasad

Mr. Rajeev Arora

Ms. Neerja Kapur

Mr. R. Asaithambi

Mr. P. S. Arora

Company Secretary

Ms. Jayashree Nair

Auditors

M/s. NBS & Co.

M/s. R. Devendra Kumar & Associates

M/s. A. Bafna & Co.

Key Managerial Persons

CMD / Principal Officer

Mr. G. Srinivasan

Chief Marketing Officer

Mr. Rakesh Kumar (up to 14.5.2017)

Mr. Renjit Gangadharan (from 15.5.2017)

Chief Underwriting Officer

Ms. Tajinder Mukherjee

Chief Financial Officer

Ms. S.N. Rajeswari

Appointed Actuary

Mr. Sharad S. Ramnarayanan

Chief Risk Officer

Mr. Shankar S.

Chief Investment Officer

Mr. S. Harinath

Chief of Internal Audit

Mr. Rajendra Prasad Joshi

Chief Compliance Officer

Ms. Jayashree Nair

***On Deputation to other
Companies / Foreign Offices**





"Dividend cheque of Rs 310 crore for the FY 2016-17, handed over to Hon'ble Finance Minister Shri Arun Jaitley by Shri G. Srinivasan CMD of The New India Assurance Co. Ltd. alongwith Directors Shri Hemant G. Rokade, Shri Anil Kumar and General Manager and CFO Ms S.N. Rajeswari."



Chairman's Message



Greetings to All,

Our Company continued a robust premium growth in the FY 2017 in spite of extremely competitive and dynamic business environment. We continue to be the market leader with a market share of 16.01%. The Company recorded a global premium of ₹ 22,279 crore recording a growth of 21.27% and the Gross Direct Premium in India grew by 26.16% to ₹ 19,114 crore. The robust growth was observed across all the Regions. The Company recorded a Profit After Tax of ₹ 1,008 crore. The Net worth of the Company including fair value is ₹ 35,642 crore and the asset base now stands at ₹ 69,173 crore. The solvency margin of the company continues to be high at 2.19.

In the last fiscal, New India was the leader not only in terms of the market share but in nearly all Lines of Business. Our growth is keeping pace with the Industry growth and the financials continue to grow stronger year on year. Today, with a strong network of 2457 offices, online portals, various distribution channels, strong sales force and presence in 28 countries, we have our reach to the customers across geographies and continually are increasing the same. We have not only grown stronger in financials or IT aspect but as well as on the manpower front. Today we have a strong workforce of around 18000 employees, and have been recruiting entry level officers and assistants in the last few years.





The performance of the company was well recognized by the Insurance as well as business industry and we received a few prestigious awards during the year. The prominent ones among them were the “Golden Peacock Award for Business Excellence, 2017”, Insurance India Summit 2017 awards for – “Insurance Company of the year” and Leadership Award in the Healthcare summit of the Government of Karnataka.

Our Company has constantly focused on the need to increase the insurance penetration in the country, aiming towards an inclusive growth. We have opened more than 1300 micro offices to increase our reach to the untouched population. Alternative distribution channels, online portals and increasing number of insurance intermediaries have greatly helped in increasing the reach to the customers as well as creating insurance awareness among the public. We have also stressed in coming out with simplified as well as enhanced cover personal line insurance products to increase the demand of insurance among the public.

Our Company has been a major participant in implementing the government sponsored schemes. We have actively participated in various schemes of the Government of India viz Pradhan MantriFasalBimaYojana ,many state Government sponsored schemes, etc. We booked a premium of more than 1000 crores under the PMFBY. Crop insurance has grown significantly in the last fiscal and accounted for nearly 16% of the overall Industry premium in the FY 2016-17. We also see a greater role in the proposed Universal Health Insurance Scheme of the Government. In the last fiscal, New India issued 28 million policies and processed 4.04 million claims. The claim settlement ratio of non-suit claims was 97%.We have initiated steps for speedier settlement of claims as well as to make the claim settlements hassle free.

The Company continued on it's domestic as well as Global expansion plans. There were 127 domestic offices opened during the year. The company has already obtained license to operate in Dubai Financial Centre. We were the first public sector general insurance company to open an office in the GIFT City, Ahmedabad catering to reinsurance as well as direct business. As of now 15% of New India's business comes from the international market. The introduction of GST, Motor Vehicle (Amendment) Bill, demonetization and move towards cashless transactions, and several other reforms are proactive initiatives by the government to boost the Indian economy. India has become one of the top priority emerging markets in the global insurance business industry. There have also been several positive regulatory changes introduced by the regulator that has made the business environment conducive for growth.

The Government has also decided to list the PSGICs and we may be the first among the PSGICs to be listed. We are in the process of completing the formalities to be in the ready state for listing. Listing of the company will help raise funds to provide additional capital for growth and expansion plans. Further it will also improve the corporate governance and disclosures in the sector and help in public participating in the fortunes of the Insurance Industry. The Company is poised to scale greater heights of success in future. We are aiming towards a business target of Rs. 26,000 crore for the FY 2017-18. The Foreign business target is to contribute a premium of 3,500/- crores in the FY 2017-18.

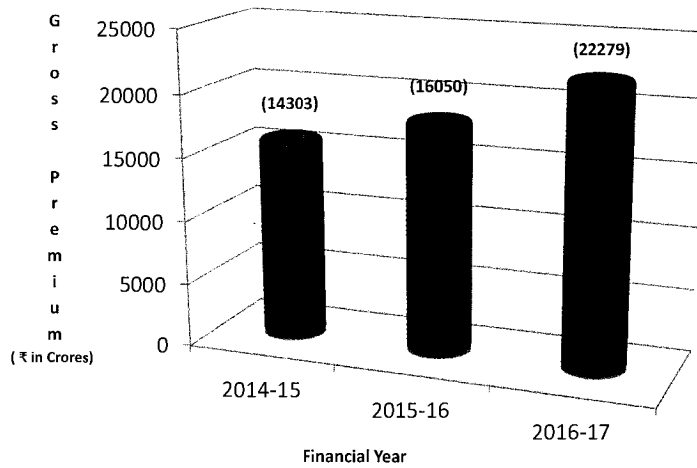
I wish to thank all our Customers, Associates, Intermediaries and all New Indians for their continued support and co-operation in taking the Company to greater heights.

G. Srinivasan

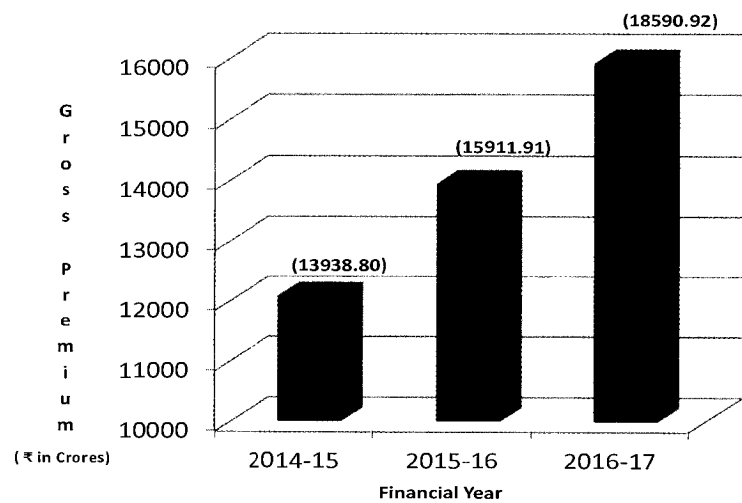




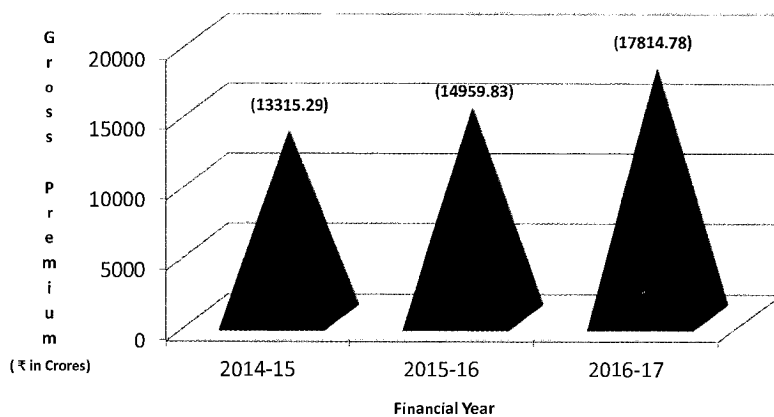
Gross Premium (Global)



Net Premium (Global)

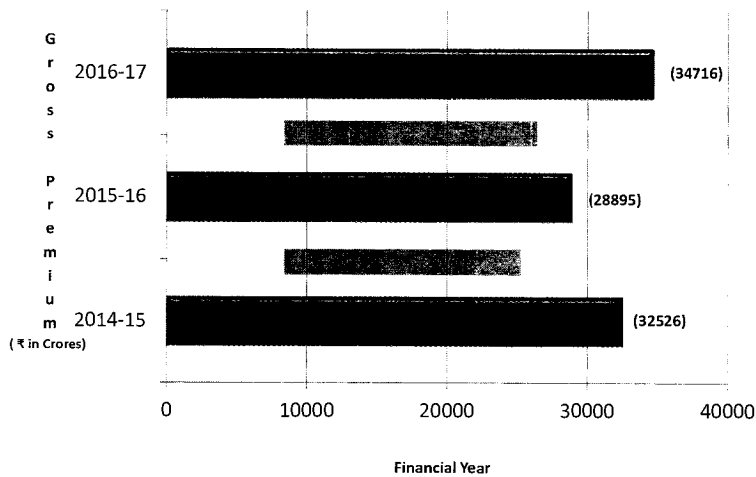


Net Earned Premium (Global)

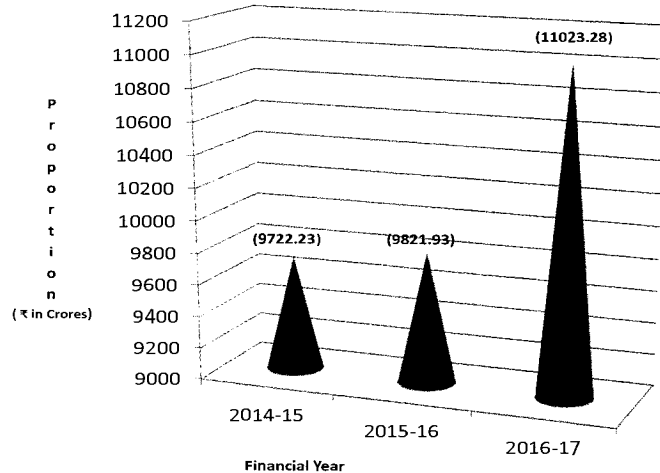




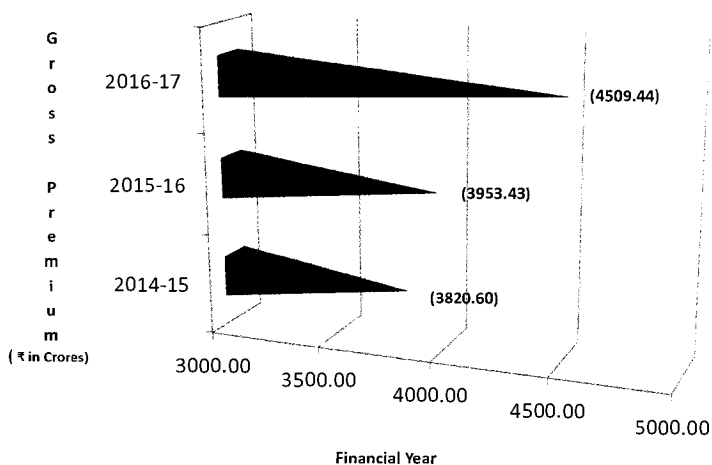
Net Worth (Including Fair value)



Net Worth



Investment Income





<input type="checkbox"/> Notice of 98 th Annual General Meeting	16
<input type="checkbox"/> Directors' Report	24

STANDALONE

<input type="checkbox"/> Management Reporting alongwith Age Wise Analysis	79
<input type="checkbox"/> Auditors' Report	89
<input type="checkbox"/> Comments of CAG	100
<input type="checkbox"/> Certificate "Schedule-C"	101
<input type="checkbox"/> Accounts	102
<input type="checkbox"/> Schedules	107
<input type="checkbox"/> Receipts & Payments	120
<input type="checkbox"/> Segment-Indian, Foreign, Global	121
<input type="checkbox"/> Shareholder's Funds & Policyholder's Funds	133
<input type="checkbox"/> Accounting Policy	134
<input type="checkbox"/> Notes	141
<input type="checkbox"/> Disclosures	151

CONSOLIDATED

<input type="checkbox"/> Management Reporting	160
<input type="checkbox"/> Auditors' Report	162
<input type="checkbox"/> Comments of CAG	173
<input type="checkbox"/> Accounts	174
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<input type="checkbox"/> Receipts & Payments	192
<input type="checkbox"/> Accounting Policy	193
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NOTICE OF THE 98th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 98th Annual General Meeting of the members of The New India Assurance Company Limited will be convened on Wednesday 2nd August 2017, at 11.30 a.m. at the Registered Office of the company at New India Assurance Building, 87, Mahatma Gandhi Road, Fort, Mumbai – 400 001 to transact the following business :-

SPECIAL BUSINESS:

1. Approval for adoption of new set of Articles of Association:

To consider, and, if thought fit, to pass with or without modification (s), the following resolution for approving and adopting the new set of Articles of Association of the Company as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 5 and 14, read with Schedule I and other applicable provisions, if any, of Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the approvals, consents, permissions and sanctions, if any, required from any authority including the Insurance and Regulatory Development Authority of India, the Reserve Bank of India, as approved by the Board of Directors of the Company, the existing Articles of Association of the Company, be and are hereby replaced by new sets of Articles of Association as per the draft circulated to the shareholders of the Company.

“RESOLVED FURTHER THAT the Board of the Company and such other persons as may be authorized by the Board, be and are hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments as may be required in this regard, including from the Insurance Regulatory and Development Authority of India, without requiring the Board to secure any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution.”

2. Approval of Sub division of Shares.

To consider, and, if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 61 of The Companies Act 2013 (including any statutory modification or re-enactment thereof for the time being in force) and other applicable provisions, if any, and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approvals, consents, permissions and sanctions, if any, required from any authority including the Insurance and Regulatory Development Authority of India and as approved by the Board of Directors of the Company, consent of the Members be and is hereby accorded to sub-divide each equity shares of the Company having face value of ₹ 10 each aggregating Rs. 300 crore into 60 crore equity shares of Rs. 5 each aggregating Rs.300 crore.”

“RESOLVED FURTHER THAT the Board of Directors and such other persons as may be authorized by the Board, be and are hereby severally authorised to sign, execute and file the requisite forms (including e-forms) with the Registrar of Companies, and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company”





3. Increase in Authorised Share Capital of the Company and subsequent alteration in the Capital Clause of Memorandum of Association.

To consider, and, if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approvals, consents, permissions and sanctions, if any, required from any authority including the Insurance and Regulatory Development Authority of India, the authorised share capital of the Company be and is hereby increased from Rs. 300 crore divided into 60 crore equity shares of ₹ 5 each to Rs.600 crore divided into 120 crore equity shares of ₹ 5 each , and consequently the existing Clause 5 of the Memorandum of Association of the Company, relating to share capital, be and is hereby altered by deleting the same and substituting in its place the following clause as the new Clause 5:

5. The Authorised Share Capital of the Company is ₹ 600 (Rupees Six Hundred crore only) divided into 120 crore (One hundred and twenty crore) Equity Shares of ₹ 5 (Indian Rupees 5) each.

RESOLVED FURTHER THAT the Board of Directors of the Company and such other persons as may be authorized by the Board, be and are hereby severally authorised to sign, execute and file the requisite forms (including e-forms) with the Registrar of Companies, Maharashtra at Mumbai and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and to seek such approval/ consent from the government departments as may be required in this regard, including from the Insurance Regulatory and Development Authority of India and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company, without requiring the Board to secure any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution."

4. Approval of Issuance of Bonus Shares.

To consider, and, if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 63 and all other applicable provisions of the Companies Act, 2013, and the rules and regulations made thereunder, each as amended, and the Articles of Association of the Company, as amended and subject to applicable law and subject to the, and such consents and approvals as may be required from the lenders of the Company and other appropriate authorities including the Insurance and Regulatory Development Authority of India, and subject to such terms and modifications as may be specified while according such approvals, the Members of the Company do and hereby recommend that a sum of ₹ 200 CRORE (Rupees TWO HUNDRED CRORE) be capitalized out of the Company's free reserves as are permissible to be utilized for the purpose, as per the audited accounts of the Company for the financial year ended March 31, 2017 and that such amounts be transferred to the Share Capital Account and be applied for issue and allotment of 40 CRORE equity shares of the Company of ₹ 5 each as bonus shares ("**Bonus Equity Shares**") credited as fully paid up, to the eligible shareholders of the Company holding equity shares of ₹ 5 each whose names appear in the register of members of the Company on the Record date (such eligible equity shareholders, the "**Eligible Shareholders**") determined by the Board or Committee thereof for the purpose, in the proportion of 1 (one) new Equity Shares of Rs. 5/- each for every 1 (one) fully paid-up Equity Shares of Rs. 5 Each held by Eligible Shareholders as on the Record Date and that the new Bonus Equity Shares so issued and allotted shall be treated for all purposes as an increase of the nominal amount of the equity share capital of the Company held by each such Eligible Shareholders and not as income in lieu of dividend credited."





RESOLVED FURTHER THAT the above shall be subject to the following terms and conditions:

- (i) The Bonus Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank *pari-passu* in all respects with and carry the same rights as the existing fully paid Equity Shares of the Company as on the Record Date and shall be entitled to any dividends declared after the allotment of the Bonus Equity Shares; and
- (ii) The share certificate(s) for the Bonus Equity Shares shall be issued/dispatched to the Eligible Shareholders who hold the existing equity shares in physical form as on the Record Date and the Bonus Equity Shares shall be credited to the respective beneficiary accounts of the Eligible Shareholders whose shares are held in dematerialized form as on the Record Date.

“RESOLVED FURTHER THAT the Board and such other persons as may be authorized by the Board be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary or desirable for such purpose, including, without limitation, to settle any questions, difficulties or doubts that may arise in relation to any such issue and allotment.”

“RESOLVED FURTHER THAT the Company shall issue necessary share certificates with respect to the Equity Shares so allotted pursuant to the bonus issue and shall make requisite entries in its register of members in this respect. The Board and any other person authorized by the Board, be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary or desirable in connection therewith.

“RESOLVED FURTHER THAT the Board and any other person authorised by the Board, be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Maharashtra at Mumbai and the Depositories and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution.”

Item No. 5. To consider and approve the Initial Public Offer.

To consider, and, if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:

RESOLVED THAT subject consent of the members of the Company by way of a special resolution in accordance with the provisions of Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof and the rules thereunder, for the time being in force) each as amended, together with the applicable subsisting provisions of the Companies Act, 1956, if any, (collectively referred to as the **“Companies Act”**), and in accordance with the enabling provisions of the Memorandum of Association and Articles of Association of the Company, applicable regulations and guidelines of the Securities and Exchange Board of India (**“SEBI”**), as amended from time to time, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (**“ICDR Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“SEBI Listing Regulations”**) the equity listing agreements to be entered into between the Company and the relevant stock exchanges, where the equity shares of the Company are proposed to be listed, and subject to compliance with the provisions of the Foreign Exchange Management Act, 1999, as amended, and the rules, regulations and guidelines framed thereunder, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and guidelines and clarifications issued by the Government of India, the Securities Contracts Regulation Act, 1956, the Securities Contract (Regulation) Rules, 1957, Insurance Regulatory and Development Authority of India Act, 1999 (**“IRDAI Act”**) and any other applicable rules, regulations, guidelines, circulars and notifications issued by SEBI, applicable regulations framed by the Insurance Regulatory and Development Authority of India (**“IRDAI”**) and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or re-enactment thereof for the time being in force) (collectively referred to as the **“Applicable Laws”**), and subject to any approvals, consents, sanctions, permissions as may be necessary from any appropriate statutory, governmental and other authorities and departments in this regard including the Registrar of Companies, SEBI, the Reserve Bank of India (**“RBI”**), the stock exchanges, the Government of India





("Gol"), the IRDAI or any other regulatory authority, as may be required, the lenders of the Company, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, sanctions, permissions, and subject to such conditions or modifications which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "**Board**" and which term shall include any committee which the Board may have constituted or hereinafter constitute with delegated powers ("**Committee**") for the time being exercising the powers conferred by the Board including powers conferred by this resolution), the consent of the Board be and is hereby accorded to, offer, issue and allot up to such number of equity shares of the Company of face value of ₹ 5 (Rupees five) each ("Equity Shares"), out of the authorised share capital of the Company ranking pari-passu with the existing Equity Shares, by way of a fresh issue of Equity Shares aggregating up to 5% of the current paid up capital of the Company and an offer for sale of such number of Equity Shares by the Promoter of the Company as may be approved by the Ministry of Finance, Government of India as the proposed Initial Public Offering, for cash either at par or at premium such that the amount being raised pursuant to the Offer aggregates to such amount as may be decided in due course, including with the provision and/or reservation on competitive basis, if any, in the course of one or more public or private offerings in the domestic and/or one or more international market(s), as the Board may decide on such terms and conditions in this respect, in terms of ICDR Regulations, at a price to be determined, in accordance with the book building process or any other method as may be prescribed by the ICDR Regulations, to such person or persons who may or may not be the shareholder(s) of the Company, as the Board may at its sole discretion decide, including anchor investors, if any, one or more of the shareholders,, employees (through reservation or otherwise), alternate investment funds, foreign portfolio investors, foreign portfolio investors, venture capital funds, foreign venture capital funds, sub-accounts, state industrial development corporations, QIBs (as defined under ICDR Regulations), insurance companies, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Post, provident funds, pension funds, development financial institutions, multilateral and bilateral financial institutions, bodies corporate (private or public), companies, private or public or other entities, authorities, non-residents, members of group companies, and to such other persons in one or more combinations thereof, whether through the Offer or otherwise, in one or more modes or combinations thereof and in one or more tranches, in consultation with the Book Running Lead Managers, and/or its affiliates and/or other advisors or such persons to be appointed by the Board and on such terms and conditions, including the number of Equity Shares to be issued, as may be finalised by the Board, and that the Board may finalise all matters incidental thereto as it may in its absolute discretion think fit."

"RESOLVED FURTHER THAT the actual amount and the total number of Equity Shares offered in the Offer by way of a combination of offer for sale and Fresh Issue shall be ratified and approved by the Board, pursuant to receiving the Government's approval regarding participation in the Offer by way of sale of shares."

"RESOLVED FURTHER THAT the Equity Shares so allotted under the Offer (including any reservation or green shoe option, if any) shall be subject to the Memorandum of Association and the Articles of Association of the Company and shall rank *pari-passu* in all respect with the existing Equity Shares including rights in respect of dividend."

"RESOLVED FURTHER THAT the consent of the shareholders of the Company is accorded to allocate such percentage of the Offer to anchor investors as may be permissible in accordance with the ICDR Regulations and other applicable laws, regulations, policies or guidelines, and do all such other acts, deeds, matters and things as it may from time to time, in consultation with the Book Running Lead Managers, decide, including without limitation, to negotiate, finalize and execute any document or agreement and any amendments or supplement thereto, and generally to do all such acts, deeds, matters and things in relation to all matters incidental to the foregoing, and to settle any question, difficulty, or doubt that may arise with regard thereto or in relation to the foregoing."

"RESOLVED FURTHER THAT consent of the shareholders of the Company is accorded to allocate a portion of the Offer as may be determined by the Board or any authorised committee thereof to any category of persons ("**Reservation**") as permitted under the ICDR Regulations or other applicable laws, regulations, policies or guidelines, and may take any and all action in connection with any Reservation as the Board or any authorized committee thereof may think fit or proper in consultation with the Book Running Lead Managers, including without limitation, negotiate, finalise and execute any document or agreement and any amendments, supplements, notices or corrigenda thereto, seek any consent or approval required or necessary, give directions or instructions, and do





all such acts, deeds, matters and things as the Board or any authorized committee thereof may from time to time, in consultation with the Book Running Lead Managers, think necessary, proper or desirable and settle any question, difficulty or doubt that may arise with regard to the Reservation or in relation to the foregoing.”

“RESOLVED FURTHER THAT the Company may avail of or exercise a green shoe option (over subscription option) subject to and in accordance with the provisions of the ICDR Regulations, and any other Applicable Laws, and the consent of the shareholders of the Company is accorded to the Offer and allotment of the Equity Shares not exceeding 15% (fifteen percent) of the total Offer or such other percentage as may be decided by the Board in accordance with the provisions of ICDR Regulations to the stabilization agent appointed for such purpose by the Board and the Board be and is hereby authorised on behalf of the Company to take all actions and do all such acts, deeds matters and things for complying with the applicable regulatory requirements, including inter alia negotiate, finalise and execute any agreement or document, and any amendments, supplements, notices or corrigenda thereto, with the stabilizing agent, and/ or any other entity as required or necessary, open any accounts including the “Special Accounts for Green Shoe Option Shares” of the Company or the “Green Shoe Option Demat Account” or the “Special accounts for Green Shoe Option Proceeds” of the Company or the “Green Shoe Option Bank Account”, notify any authority or person and seek any approval or consent as required or necessary, give directions or instructions and do such acts, deeds, matters and things that the Board may, from time to time, in consultation with the Book Running Lead Managers, think proper or desirable, and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“RESOLVED FURTHER THAT a safety net arrangement may be provided subject to and in accordance with the Applicable Laws and the consent of the Company is accorded to finalise and execute any agreement or document, and any amendments, supplements, notices or corrigenda thereto, with respect to providing the safety net arrangement in terms of the applicable laws, regulations and policies.”

“RESOLVED FURTHER THAT over subscription to the extent of 10% of the Offer may be retained for the purpose of rounding off while finalising the basis of allotment.”

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and any issue, transfer and allotment of Equity Shares, the Board and any other Committee thereof, in consultation with the book running lead managers, be and is hereby authorised to determine the terms of the Offer including the class of investors to whom the Equity Shares are to be allotted or transferred, the number of Equity Shares to be allotted, Issue price, premium amount on Offer, discount (as allowed under the Applicable Laws) listing on one or more stock exchanges in India as the Board in its absolute discretion deems fit, and further, the Board may do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the Offer, including but not limited to, allotment and utilisation of the proceeds, and further to do all such acts, deeds, documents and agreements, matters and things, to take on record intermediaries, if any, and to appoint book running lead managers, advisor(s), if any, and such intermediaries as may be required in the process and to finalise the Offer expenses, including payments to intermediaries, regulators and any other entities as may be required, and to decide on the structure of the Offer, including reservations/firm allotments for specified categories as permitted under the ICDR Regulations, and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit, including the various agreements for the Offer with various parties, and to give such directions and/or instructions as it may from time to time decide, and to accept and give effect to such modifications, changes, variations, alterations, deletions, additions as regard the terms and conditions, including the timing of the Offer, and to vary the size of the Offer, as the Board may in its absolute discretion decide in the interest of the Company without requiring any further approval of the shareholders and that all or any of the powers conferred on the Company and the Board pursuant to these resolutions may be exercised by the Board or such Committee thereof as the Board may constitute in its behalf.

“RESOLVED FURTHER THAT

1. all monies received by the Company out of the issue and allotment of the Equity Shares to the public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;





2. to the extent applicable, details of all monies utilised out of the Fresh Issue shall be disclosed and continued to be disclosed until the time any part of the proceeds of the Fresh Issue remains unutilized under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilised; and
3. to the extent applicable, details of all un-utilised monies out of the Offer, if any, referred to in item 1 above shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such un-utilised monies have been invested."

"RESOLVED FURTHER THAT in connection with any of the foregoing resolutions, the members of the Board or and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally authorized to execute and deliver any and all other documents, paper or instruments, issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate, advisable or consequential in relation to the foregoing resolutions for the Offer, and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date thereof and hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be."

"RESOLVED FURTHER THAT the Management be and is hereby authorized to pay the Consolidated Stamp Duty on issuance of Bonus shares, as per directions received from concerned authorities."

"RESOLVED FURTHER THAT the Company be and is hereby authorized to issue Share Certificates under the Common Seal of the Company signed by any two Directors and countersigned by the Company Secretary."

"RESOLVED FURTHER THAT the Company be and is hereby authorized to utilize the services of a Practicing Company Secretary in connection with Bonus Issue."

ORDINARY BUSINESS:

1. To approve and adopt the Balance sheet of the company as at 31st March 2017, Profit and Loss Account for the year ended 31st March 2017 and the report of the Board of Directors for the period covered by the Accounts.
2. To approve and adopt the auditors' report on the Balance Sheet and Accounts for the year ended 31st March 2017 along with C&AG comments/observations, if any.
3. To declare dividend for the year 2016-17
4. To authorize the Board of Directors to fix the remuneration of Auditors to be appointed by the C&AG for the year 2017-18.

NOTES

1. The Explanatory Statement under Section 102(1) of the Companies Act, 2013, as amended, in respect of the special business is annexed herewith and forms part of the notice.
2. A Member entitled to attend and vote at this meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the company. Proxies, in order to be effective, must be lodged with the company at its registered office at least 48 hours before the commencement of the meeting.





EXPLANATORY STATEMENT TO BE ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No. 1 : Replacement of Articles of Association :

In terms the provisions of Sections 5 and 14, read with Schedule I and other applicable provisions, if any, of Companies Act, 2013 and the Companies (Incorporation) Rules, 2014, shareholders consent is required to adopt new set of Articles of Association of Company.

Company is approaching towards getting listed on recognized stock exchange through an initial public offer of its equity shares ("Offer"). In compliance with the requirements of the Securities and Exchange Board of India, the Companies Act, 2013, as amended and the rules and regulations of the Stock Exchanges and the Insurance and Regulatory Development Authority of India, as the Company will be listed certain mandatory provisions needs to be included in the articles of association of the Company. Further, the rights pertaining to the shareholders will be substituted with the new set of rights which shall be provided in the revised articles of association of the Company.

Accordingly, approval of the shareholders is being sought for the proposal contained in the Resolution set out at Item no. 1 of the notice. The Board of Directors accordingly recommends the resolutions set out at Item No. 1 for the approval of the shareholders by way of a special resolution.

The Board recommends the passing of this resolution as Special Resolution.

None of the Directors, Key managerial personnel or their relatives may be deemed to be concerned or interested in the said resolution except to the extent of their shareholding in the company.

Item No. 2 : Sub division of Shares.

In order to facilitate the benefit of more liquidity and broad basing of small investors in the Company, the Board of Directors of the Company, in its meeting held on July 10, 2017 have approved the sub-division of the nominal value of the equity shares of the Company of ₹ 10 each into denominations of ₹ 5 each subject to the approval of the members.

As per the provisions of the Companies Act 2013, approval of the Shareholders is required for sub-division of equity shares. The Board of Directors accordingly recommends the resolutions set out at Item No. 2 for the approval of the Members.

None of the Directors, Key managerial personnel or their relatives may be deemed to be concerned or interested in the said resolution except to the extent of their shareholding in the company.

Item No. 3 : Increase in Authorised Share Capital and subsequent amendment in the Capital Clause of the Memorandum of Association

The Company also proposes to issue Bonus Equity Shares in the ratio of 1:1 to the current shareholders. As the Authorised capital at present is Rs. 300 crore, not enough to issue the Bonus Shares, the Company proposes to increase its Authorised Share Capital from Rs. 300 crore to Rs. 600 crore, i.e. 120 crore shares at the face value of Rs. 5 each. It is therefore considered necessary to increase the authorised share capital of the Company to the extent mentioned in item No.3 of the notice, with the consequential alterations in the capital clauses of the Memorandum of Association as stated in Item No. 3 of this notice

As per Section 13 of the Companies Act 2013, approval of the Shareholders is required for the amendment of the Memorandum of Association of the Company. The Board of Directors accordingly recommends the resolutions set out at Item No. 3 for the approval of the Shareholders.

None of the Directors, Key managerial personnel or their relatives may be deemed to be concerned or interested in the said resolution except to the extent of their shareholding in the company.





The Board recommends the passing of this resolution as Special Resolution.

Item No. 4: Approval for issuance of Bonus Shares.

For the purpose of rewarding shareholders, the Board at its meeting held on July 10, 2017 has recommended that a sum of ₹ 200 CRORE (Rupees Two Hundred Crore) be capitalized out of the Company's free reserves as are permissible to be utilized for the purpose, as per the audited accounts of the Company for the financial year ended March 31, 2017 and the issue of bonus shares of 40 CRORE equity shares of the Company in the ratio of 1:1 to the current shareholders.

None of the Directors, Key managerial personnel or their relatives may be deemed to be concerned or interested in the said resolution except to the extent of their shareholding in the company.

The Board recommends the passing of this resolution as Special Resolution.

The Directors and Key Managerial Persons of the Company and their relatives are financially concerned or interested in the resolution with regard to issue of bonus shares, to the extent of new bonus shares as may be allotted to them in the Company.

Item No. 5 To consider and approve the Initial Public Offer

In view for augmenting the solvency requirement of the Company it is proposed to seek the approval of the shareholders of the Company for the initial public offering of the equity shares of the Company, which comprises of combination of a fresh issue and an offer for sale of equity shares by the President of India (acting through the Ministry of Finance) and listing of its equity shares on the stock exchanges.

In this regard, it is proposed that the Company, to, offer, issue and allot up to such number of equity shares of the Company of face value of ₹ 5 (Rupees five) each ("**Equity Shares**"), out of the authorised share capital of the Company ranking *pari-passu* with the existing Equity Shares, by way of a fresh issue of Equity Shares aggregating up to 5% of the current paid up capital of the Company and an offer for sale of such number of Equity Shares by the Promoter of the Company as may be approved by the Ministry of Finance, Government of India as the proposed Initial Public Offering, for cash either at par or at premium such that the amount being raised pursuant to the Offer aggregates to such amount as may be decided in due course.

As the Offer may result in the issue of Equity Shares of the Company to investors who may or may not be shareholders of the Company, consent of the shareholders is being sought pursuant to Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and any other law for the time being in force and being applicable and in terms of the provisions of the listing agreement executed by the Company with the stock exchanges where the Equity Shares of the Company are listed.

The Board accordingly recommends the resolutions set out at Item No. 6 for the approval of the shareholders.

The Directors of the Company may be deemed to be concerned or interested in this item of business to the extent any securities may be offered to and/or subscribed for by them or any company or body(ies) corporate of which they are directors or shareholders. Save as aforesaid, none of the Directors of the Company are, in any way, concerned or interested in this resolution.

By Order of the Board

**Jayashree Nair
COMPANY SECRETARY**

Dated : 1st August 2017
Place : Mumbai





Directors' Report 2016-17

To The Members:

The Directors have immense pleasure in presenting the ninety fourth Annual Report of the Company together with the audited statement of accounts and balance sheet for the year ended 31st March, 2017.

I. CLASS-WISE PERFORMANCE SUMMARY

(₹ in crore)

			Fire	Marine	Misc	Total
Gross Direct Premium Income	India	CY	1824.28	610.03	16680.38	19114.69
		PY	1691.84	617.53	12840.14	15149.51
	(% Growth)	CY	7.83	-1.22	29.91	26.17
		PY	2.85	-7.18	17.81	14.69
	Outside India	CY	727.25	54.05	1701.92	2483.22
		PY	857.68	57.25	1698.87	2613.80
	(% Growth)	CY	58.47	8.07	2.60	21.05
		PY	4.77	-45.87	26.16	15.10
	Global	CY	2551.53	664.08	18382.30	21597.92
		PY	2549.52	674.78	14539.01	17763.31
	(% Growth)	CY	0.08	-1.59	26.43	21.59
		PY	3.49	-12.48	18.73	14.75
Reinsurance Premium Accepted	India	CY	87.82	5.15	325.32	418.29
		PY	85.74	17.72	237.90	341.36
	Outside India	CY	841.04	30.89	132.58	1004.51
		PY	741.13	33.45	133.14	907.72
Reinsurance Premium Accepted		CY	928.86	36.04	457.90	1422.80
		PY	826.87	51.17	371.04	1249.08
Reinsurance Premium Ceded	India	CY	1018.49	323.47	2425.54	3767.49
		PY	909.15	300.46	1371.28	2580.89
	Outside India	CY	454.69	11.41	196.21	662.31
		PY	329.05	11.61	178.94	519.60
Reinsurance Premium Ceded		CY	1473.18	334.88	2621.75	4429.80
		PY	1238.19	312.07	1550.22	3100.48
Global Net Premium		CY	2007.21	365.25	16218.46	18590.92
		PY	2138.19	413.89	13359.83	15911.91
	(% Growth)	CY	-6.13	-11.75	21.40	16.84
		PY	6.47	-13.92	16.68	14.16
	(% to Gross Premium)	CY	78.67	55.00	88.23	86.08
		PY	83.87	61.34	91.89	89.58
Addition / Reduction in Un-expired Risks Reserves		CY	88.53	-96.78	784.39	776.14
		PY	64.94	-59.11	946.26	952.08
	(% to Net Premium)	CY	4.41	-26.50	4.84	4.17
		PY	3.04	-14.28	7.08	5.98
Earned Premium		CY	1918.69	462.03	15434.07	17814.78
		PY	2073.26	473.00	12413.57	14959.83





(₹ in crore)

		Fire	Marine	Misc	Total
Incurred Claims Net	CY	1959.37	349.34	13948.22	16256.93
	PY	1471.97	272.44	11396.78	13141.19
(% to Earned Premium)	CY	102.12	75.61	90.37	91.26
	PY	71.00	57.60	91.81	87.84
Commission Net	CY	340.60	45.39	937.15	1323.14
	PY	381.56	48.00	974.19	1403.75
(% to Net Premium)	CY	16.97	12.43	5.78	7.12
	PY	17.84	11.60	7.29	8.82
Operating Expenses	CY	408.67	74.29	3299.06	3782.02
	PY	630.59	101.64	2783.57	3515.80
(% to Net Premium)	CY	20.36	20.34	20.34	20.34
	PY	29.49	24.56	20.84	22.10
U/W Results	CY	-789.95	-6.99	-2750.36	-3547.31
	PY	-410.86	50.92	-2740.97	-3100.91
(% to Earned Premium)	CY	-41.17	-1.51	-17.82	-19.91
	PY	-19.82	10.76	-22.08	-20.73
Investment Income-Policy Holders	CY	443.35	94.28	2452.73	2990.36
	PY	420.54	96.79	2148.49	2665.82
Revenue (Policy Holder) Account Surplus	CY	-346.60	87.29	-297.63	-556.95
	PY	9.68	147.71	-592.48	-435.09
Investment Income-Share Holders	CY				1519.08
	PY				1287.61
Other Income less Outgo	CY				201.73
	PY				53.02
Profit before Tax	CY				1163.86
	PY				905.54
Provision for Tax	CY				155.93
	PY				76.87
Profit after Tax	CY				1007.93
	PY				828.67
Dividend (Proposed)	CY				0.00
	PY				250.00
Dividend Tax	CY				1.09
	PY				50.89
Transfer to Reserves	CY				1006.84
	PY				777.78

DIVIDEND

During the year the Directors recommended ₹310 crore at the rate of 155% as full and final dividend on date as against ₹250 crore at the rate of 125% in the previous year.





II. PERFORMANCE REVIEW (Global)

(₹ in crore)

		2016-17	2015-16
A	Gross Direct Premium (India)	19114.69	15149.51
	% change over previous year	26.17	14.69
	Gross Premium (Foreign)	3164.00	3221.86
	% change over previous year	21.05	13.4
	Gross Global Premium	21597.92	18371.37
Gross Direct Premium (GDP) in India has increased from ₹15149.51 crore in 2015-16 to ₹19114.69 crore in 2016-17 recording a good growth of 26.17% in 2016-17. The company continues to be the market leader in India and is scaling to new heights. Good growth has been achieved by all the regions. The company crossed ₹19000 crore in Indian market itself in 2016-17.			
B	Net Premium	18590.92	15911.91
	% change over previous year	16.84	14.16
The net premium income of the company grew by 2679.01 crore from 15911.91 crore to 18590.92 crore.			
C	Additional Un-expired Risk Reserves	776.14	952.08
	% change over previous year	4.17	5.98
D	Incurred Claims (Net)	16256.93	13141.19
	Percentage to earned premium	91.26	87.84
E	Commission (Net)	1323.14	1403.75
	Percentage to Net premium	7.12	8.82
F	Operating Expenses	3782.02	3515.8
	Percentage to earned premium	20.34	22.1
G	Underwriting Results	(3547.31)	(3,100.91)
H	Investment Income (Less Provision)		
	Apportioned to policyholders	2990.36	2665.82
	Apportioned to Shareholders	1519.08	1287.61
	Total	4509.44	3953.43
I	Revenue (Policyholders) Account Results	-556.95	-435.09
J	Other Income/Outgo	201.73	53.02
K	Profit Before Tax (PBT)	1163.86	905.54
L	Profit After Tax (PAT)	1007.93	828.67
M	Proposed Final Dividend	310.00	250.00





(₹in crore)

		2016-17	2015-16
N	Dividend Tax	63.12	50.89
O	Paid-up Capital	200	200.00
P	Reserves and Surplus	11970.16	11173.72
Q	Total Assets	69172.81	62880.07
R	Investments (at cost)	29322.77	26180.56
T	Solvency Margin		
	i. Required solvency margin under IRDA regulations (Global)	5073.53	3986.62
	ii. Available solvency margin (Global)	11134.68	9154.11
	iii. Required solvency margin under IRDA regulations (Indian)	4543.59	3509.36
	iv. Available solvency margin (Indian)	11263.91	9300.90
	The company's Global solvency ratio is 2.19 times (PY 2.30 times) and Indian solvency ratio is 2.48 times (PY.2.65 times)		
U	Compliance with Section 40C		
	i. Expenses prescribed under the act	6206.59	3816.06
	ii. Actual expenses	4593.88	4058.84
	iii. Difference	1612.70	(242.78)





GENERAL INSURANCE INDUSTRY VIS-À-VIS INDIAN ECONOMY

The Indian Economy grew at 7.1% in 2016-17. During this fiscal the Indian Economy continued to perform well despite the continuing global sluggishness and recent pick-up in petroleum prices, Inflation remained stable in FY 2017, while fiscal deficit and current account deficit as percentage of GDP improved.

Efforts to achieve fiscal consolidation through administrative reforms and steps to control inflation are paying off and contributed to macroeconomic stability.

During Fiscal 2017, the general insurance industry generated gross direct premium of ₹ 1.27 lakh crore. The insurance industry today is witnessing a shift from a product based approach to a more dynamic customer centric approach. This shift can be attributed to technological, regulatory socio-economic and political changes, which have led insurers to re-engineer their traditional ways of doing business.

Year 2016-17 witnessed what could be the beginning of a consolidation wave in the industry. Interest in the sector continues unabated as a few more new players applied for license to enter the industry. The year saw insurers embracing digital transformation. In 2017, paperless and cashless transactions is expected to increase. Going forward, health insurance would mean focus on providing wellness solutions to customers that encourage healthy living, rather than just servicing claims. The insurance industry is also expected to embrace the latest technologies for claim settlement such as using drones for agricultural land and other non-motor inspections or introduction of applications that allows customers to inspect and settle their own motor claims.

Listing of some general insurers are expected to happen in this fiscal. Listing is expected to lead to more underwriting discipline in the industry with focus on profitability. It will also provide an avenue to raise capital to fund future growth.

It is expected that the Government along with the Regulator will continue working towards bringing out more affordable insurance schemes to increase insurance penetration and extend the security net to the masses, especially in tier 2 and 3 cities and rural areas.

The GST rate for insurance has been notified as 18% which would lead to a marginal increase in the premium by about 3%. While this is a negative for the sector in the short term the overall effect of GST on the economic growth is expected to be positive and the insurance sector will also be a beneficiary of this.





III. OVERVIEW OF COMPANY'S OPERATIONS

A. INDIAN OPERATIONS:

Gross direct premium in India has increased from ₹ 15149.51 crore in 2015-16 to ₹ 19,114.69 crores in 2016-17 recording a growth of 26.17 % during 2016-17. The growth is observed in all geographical segments as well as all classes of business.

INDIAN OPERATIONAL RESULTS

Sr. No	PARTICULARS	2016-17		2015-16	
		(₹ in crore)	%	(₹ in crore)	%
1	Gross Direct premium	19,114.69	26.17	15,149.51	14.69
2	Net premium	16,088.54	21.82	13,207.25	13.93
3	Increase in unexpired risk reserve	877.76	-	785.66	-
4	Net earned premium	15,210.78	-	12,421.58	-
5	Commission	699.54	6.29	658.15	5.30
6	Incurred claims	14,487.46	25.63	11,531.72	92.84
7	Management expenses	3,592.84	7.43	3,344.47	26.92
8	Other income (net of outgo)	192.61	334.30	44.35	0.36
9	Investment income	4,373.81	14.11	3,833.11	30.86
10	Profit before tax (PBT)	997.37	30.43	764.70	6.16

Note: Percentage shown in sr. no. 1 & 2 indicates the growth over previous year and the percentage shown in sr. no. 5 to 10 is percentage to 'Net Earned Premium.'

B. FOREIGN OPERATIONS:

New India commenced its foreign operations shortly after its formation in 1919. The London branch was opened in 1920. After that the Company saw a steady increase in presence abroad with Manila, Port Louis and Japan. Today New India has presence in 28 countries.

Today the company operates in the following countries through Branches & Agency offices:

- United Kingdom
- Japan
- Hong Kong
- Philippines
- Thailand
- Australia
- New Zealand
- Mauritius
- Fiji
- Dubai
- Abu Dhabi
- Bahrain
- Kuwait
- Oman
- Aruba
- Curacao.





Apart from these countries, the Company has subsidiaries in Nigeria (Prestige Assurance Plc.), Trinidad and Tobago (New India Assurance T & T) and Sierra Leone. The New India T & T also operates in countries such as St. Lucia, Dominica, St Maarten, Guyana and Anguilla. The Company has opened a Representative office in Myanmar and is planning to open an office in SEZ, Myanmar. The Company also has its presence in Saudi Arabia (WAFA Insurance), Singapore (India International Pte, Singapore) and Kenya (Ken India Assurance Co. Ltd., Nairobi)

The Company's foreign operations saw a gross premium turnover in rupee equivalent of ₹ 3164 crore and a Net premium of ₹ 2502.53 crore in 2016-17. The foreign operations recorded an underwriting profit of ₹ 31 crore and profit before tax was ₹ 166.63 crore.

New India Assurance has taken a license to operate in DIFC, Dubai through a Regional office and is in the process of registering with Qatar Financial Centre, Doha.

OVERSEAS OPERATIONAL RESULTS

Sr. No	PARTICULARS	2016-17		2015-16	
		(₹ in crore)	%	(₹ in crore)	%
1	Gross premium (Gross Direct plus Accepted)	2,483.22	-22.93	3,221.84	13.4%
2	Net premium	2,502.53	-7.47	2,704.59	15.2%
3	Increase in unexpired risk reserve	-101.62	-161.06	166.42	
4	Net Earned Premium	2,604.15	2.60	2,538.17	
5	Incurred claims	1,769.47	67.95	1,609.47	63.4
6	Commission	623.60	23.95	745.59	29.4
7	Expenses of management	189.18	7.26	171.33	6.75
8	Other outgo	9.12	0.35	8.67	.34
9	Investment income	135.63	5.21	120.32	4.74
10	Net Profit/Loss	166.65	6.40	140.84	5.55

Note: Percentage shown in Sr. No. 1 & 2 indicates the growth over previous year and percentage shown in Sr. no. 5 to 10 is percentage to net earned premium.

ORGANISATION STRUCTURE

Domestic

The Company has been consistently expanding its footprints by opening new Micro Offices in unexplored semi-urban and rural areas and upgrading its large Micro Offices to Branch Offices and Branch Offices to Divisional Offices to provide better service to the public.

The Company has opened 127 Micro Offices, 1 Large Corporate & Brokers Office and 1 international Finance Service Centre in this financial year.

As on 31st March 2017, the Company has a network of 31 Regional Offices, 7 Large Corporate Offices, 1 Auto Hub, 457 Divisional Offices, 588 Branch Offices, 27 Direct Agent Branches and 1345 Micro Offices, totaling 2456 offices.

Foreign

The Company operates in 28 countries.

❖ REINSURANCE

The International reinsurance market continued to remain soft with most of the facultative renewals seeing a price reduction. There was no major catastrophic event in India except the Vardha Cyclone which affected Chennai and surrounding areas in December 2016.





Renewal of all the Proportional and Non-Proportional treaties of Indian as well as foreign offices was completed as per schedule and placements made with well rated securities.

The revised Reinsurance Regulations - 2016 of IRDAI became effective this year and also some major Foreign Reinsurers opened their branch operations in India. The Reinsurance arrangements and placements concluded for next FY 2017-18 were as per the revised norms.

Inward treaty acceptances and facultative acceptances grew moderately. This year our International Finance Service Centre Insurance office (IIO) at GIFT city Gandhinagar, was inaugurated and commenced operations on 28th October 2016. Upto the year end we have underwritten several Facultative and treaty proposals in various lines of business. We are also in a position to accept direct insurance from overseas territories from this office wherever permitted.

❖ **TECHNO MARKETING**

Techno marketing Department is synonymous for its expertise for Marketing and underwriting of large projects and operational large risks of corporate clients.

During the year, several large policies related to different industries were finalized with reinsurers' participation. The client specific covers devised by the department were to suit the requirements of individual clients and were of International standards.

The risk engineering studies undertaken by the department during the preceding year continued during the current year as a value-added measure for the insured and as a loss minimization measure and awareness study for the company.

The year ended on a high note with the company, staying true to the status of pioneer among Indian Insurers, provided an integrated insurance solution to clients in energy sector for their onshore and offshore property.

The company aims to maintain its lead position in the market in future also by proactive approach, strength of underwriting capacity, technical competence, experience and innovative techniques.

❖ **FIRE AND ENGINEERING INSURANCE**

With a premium income of ₹2324 crs. Fire and Engineering portfolio of the Company in the Indian operations has continued to retain its dominant position in the insurance market. While these two portfolio have been viewed as Flagship LOBs, the continuing pressure on pricing in the Indian Market presented a challenge to the Underwriters. By the very nature these line of property business are aligned to the overall economic growth, specifically industrial growth in the country which has started showing signs of promise & growth and also insurance market in India has been marked by reduced premium rates. Inspite of all these, the Company has been able to show a reasonable growth of 7.62% in Fire portfolio and moderate growth of 1.32% in Engineering portfolio in 2016-17 and maintained leadership position in Property Insurance (both Fire & Engg LOBs).

During December 2016, a severe Cyclone "Vardah" made a landfall near Chennai due to which several losses were reported. We geared various levels of operations to deal with this extraordinary calamity. It is highly satisfying to report that in respect of Vardah Cyclone event, around 700 nos. of Property claims were reported, out of which 300 claims were disposed off quickly in a record time. In most claims where final settlements could not be effected interim "On Account" payments have been made.

❖ **HEALTH INSURANCE**

The Company maintains Numero uno position in Health insurance business with a growth of 21.66% amounting to premium of ₹ 5960 crores.

The focus of the Company in Health insurance this year was to garner quality business by charging appropriate rates, terms and conditions, innovate products as per demands of the insuring public and also keep a control on loss ratio.





We have introduced the New India Premier Mediclaim policy to cater to the elitist segment. Apart from offering Sum Insured of upto ₹ One crore the policy is a first of its kind as it extends to cover Ayush Treatments, morbid obesity, psychosomatic disorders, OPD, dental and a host of exclusive benefits. The mediclaim 2012 policy has been modified to reflect the requirements of our customers.

We have recruited more doctors this year and we have posted a doctor in 16 ROs.

The Company's health audit team is relentlessly monitoring the claims for effective Claims Management.

❖ **MARINE CARGO AND HULL INSURANCE**

New India continues to maintain its leadership in Marine Line of Business with highest market share in Cargo as well as Hull in the Indian Market. The Company has 33.8% of market share in Hull and 16.2% in Cargo Business.

Company achieved a Marine Cargo Domestic premium of ₹341.76 Crore. Despite a very soft market, reduction in volume of export-import and reduction in premium rates at renewal, New India has registered a modest growth of 2% against the negative Industry growth. New India is the only PSU which has registered a positive growth in Marine Cargo Business in the year 2016-17.

Marine Business Generated by Foreign Offices is ₹37.5 Crore in Cargo and ₹16.55 Crores in Hull. The total Marine Business globally is ₹664.08 Crores this year compared to ₹ 674.78 Crores last year. Despite stiff competition, New India has been able to retain major renewals of Hull Risks

As a leader in Marine Hull & Cargo Insurance, the Company is committed to deliver the best service to its clients and therefore, number of initiatives are being undertaken for effective e-marine solution for issuance of Certificates/Policies through Customer/Intermediary Portals and also for claims handling.

Despite reduction in premium rates, Marine Cargo Portfolio remains profitable. The efforts made towards claims management, risk management, careful underwriting and recovery has contributed to profitability of the Portfolio.

Focus area for the next year will be towards a renewed thrust on customer service and marketing, to achieve improved growth rates.

❖ **AVIATION INSURANCE**

New India continues to be the lead insurer for India's National Carrier Air India, Indigo Airlines and Vistara. During the year 2016-17, Go Air and Air Carnival Airlines also decided to accept New India as their Lead Direct Insurer. New India is also the coinsurer in all the other airlines in India. New India has also been a preferred Insurer for HAL, the Aircraft Manufacturer and R&D organization, Indira Gandhi National Flying Academy, the flagship training academy of India and various other General Aviation Business.

New India stands to be a preferred re-insurer in international market. New India is extending its support to more than 200 Aviation Reinsurance Programmes across the Globe, including British Airways, Lufthansa, Virgin Atlantic. New India has decided to provide capacity as Quote Share Reinsurer to GIC Re London for their participation in Altitude Risk Partners Pool for enhancing its penetration in the Global Aviation Market.

❖ **AUTO TIE-UP**

Dealer and manufacturer tie-up will continue to be an important focus area for us this fiscal. Motor insurance is an area of competition for all insurers and everyone is looking to increase their motor insurance business from dealers.

Auto Tie-up assumes a significance in the current environment as Motor Insurance accounts for more than 40% business in General Insurance and Auto Tie-up continues to be the main source of new vehicles business as well as for renewals through dealers point. The Company has emerged as a leading player in Auto Tie up business and our tie up includes the biggest names in the Automobile Manufacturers like Maruti, Hyndai, Ford India, Chevrolet, HMSI, Royal Enfield, Tata Motors, Ashok Leyland, Volvo Eicher, M&M, etc.





In the concluded financial year the Company has entered in 3 new important Tie-ups (Fiat India, Muthoot Finance & A U Finance). Further tie up of M/s Nishan& Renault has been finalised and shall be formally launched in the first quarter of next Financial year. At present we have 26 Centralised Auto Tie-ups and about 2400 local Auto tie ups. We registered more than 14.5% growth in Auto Tie-up business this fiscal. We have achieved a premium of ₹ 2,380.23 Crores against the last year's premium of ₹ 2,078.77 Crores from this segment which is more than 31% of our total motor premium.

The company has been extending the facility of Dealer Portal to Auto-Dealers all over India and also arranged Cashless claim service to all auto dealers in the tie-up so that more and more customers continue to be benefitted with value added services at single-point contact.

The company is in the process of entering into more Tie-ups with Automobile Manufacturers, Financiers and Dealers in coming financial year which will generate higher volume.

❖ **MOTOR OWN DAMAGE (O.D.)**

We retained our Number one position in Motor Premium for the third consecutive year. The company's Motor portfolio had shown spectacular growth with overall accretion of 23.2% over 2015-16 as against Industry average of 18.6%. Motor OD and TP segment grew at 11.4% and 32.8% respectively as against Industry average of 11% and 22.1%.

During the year, no new Add-on cover was introduced and we are planning to file various add on covers for Two wheelers (Return to Invoice, Road Tax, Engine Protection, NCB protection), Road side assistance and Consumable covers for Private car and EMI cover for Commercial Vehicles during 2017-18. Motor OD portfolio continues to show robust growth in 2016-17 as well and we expect same trend to continue during 2017-18 also.

Claim settlement ratio in Motor OD segment has shown marginal increase to 93.5%. More Offices were brought under the Claim Hubs to provide faster claim settlement and improved customer service. As on date, there are 38 claim hubs handling claims of 816 Operating offices. Company has tied up with more than 1000 reputed Motor workshops/Garages to provide cashless repair service to Retail customers and we are planning to add another 1500 during the next financial year. Nearly 80 In-house Surveyors were given training during the year to handle claims up to ₹ 50,000/- as per IRDAI guidelines.

❖ **MOTOR THIRD PARTY (TP):**

Motor TP Department continued the trend of reducing no. of Outstanding Claims and brought down to 1,56,490 at the end of FY 2016-17 as against 1,61,656 in the beginning. 75,386 claims were filed in this duration, against which 80,552 claims were settled. Company again maintained the throughput ratio in this FY at more than 100%, which is 107 % with the settlement ratio of 34 %.

28146 claims (35% of Total Settled Claims) were settled through Lok Adalat and other Conciliatory Mechanisms and New India remained Top Performer amongst all General Insurance Companies. It is an outcome of the focused strategy of management to compromise the maximum no. of fit cases.

Review Meeting of TP Hubs and ROs was conducted at Gurgaon in December 2016, emphasizing the need to review all Outstanding claim files and Court Search of cases for more than five years. Constant follow-ups were also done by VCs and visits of our General Manager and other officials.

Information Technology aspect had remained the major area of focus during this year and considerable progress was made on De-duplication of Party Codes of Advocates and Investigators, empanelment of Service Providers viz. Advocates and Investigators. Numerous modifications were carried out in system, which shall enable the user to monitor and manage the claims effectively.

Focused strategy by the Corporate Management resulted into growth of 34% in Motor TP Net Premium, against the Market Growth rate of 26.3%.





❖ **MOTOR TP HUBS**

Centralised Legal Hubs at Mumbai and Delhi under Head Office as well as other 48 operational Motor TP Hubs all over the country are efficiently handling Motor TP Cases, Appeals and SLPs. Adequate No. of Legal Officers are recruited and posted at these Hubs / Offices.

Centralised Legal Hub at Delhi, which is handling NCDRC and Supreme Court cases, was empowered by posting of Deputy General Manager as the Incharge for expeditious disposal of claims.

More than 60% of the total settled Motor TP Claims were handled by TP Hubs.

❖ **MISCELLANEOUS AND LIABILITY INSURANCE**

New India continues to be market leader in Liability Insurance for the seventh consecutive year. This year we achieved a domestic premium of ₹ 352.84 crores (gross) in the Liability line of business with a favourable Incurred claim ratio of around 18.45 %. Our milestones in Liability was the issuance of the first Nuclear Operators' Policy. We have also unveiled the Nuclear Suppliers Insurance on 12th August, 2016 after following due use and file guidelines.

The Miscellaneous Department continues to provide innovative corporate and retail products, the recent ones being like Griha Suvidha Insurance, Rasta Apatti Policy etc which are very popular. The Pradhan Mantri Suraksha Bima Yojana, the Special Group Personal Accident Scheme for the Bank account holders for the major as well as ancillary banks has been renewed successfully. This year we have also participated in a few clusters in the Samajwadi Kisan & Sarvhit Sima Yojana, U.P fetching a premium of over ₹ 142 crores.

The Company has procured a gross domestic premium completion of ₹ 1292.76 crores in the year 2016-17 in the Personal Accident, Liability and other Miscellaneous Lines of Business with an accretion of 22.09%.

❖ **BROKERS AND BANCASSURANCE :**

The Brokers channel business in FY 2016-17 generated a premium of ₹ 3666.18 Crores with accretion of 26%. The business from Broker Specialized Offices stood at ₹ 235.71 crores with a growth of 16%. Large Corporate Broker office also did a premium of ₹ 891.95 crores with a growth rate of 18%. In this financial year our Broker Portal strength has gone upto 149. In the online Broker Portal we have completed 13391 policies with a premium of 12.14 crores. During the year the department conducted 7 technical sessions for Brokers at various places, 5 Broker events were held where our CMD had one to one interaction with the Brokers so as to have a better understanding about the market expectation.

IRDAI introduced a new Distribution Channel called IMF (Insurance Marketing Firm) last year, under which any applicant with Net Worth of ₹ 10 Lakhs subject to fulfillment of specified criteria can sell retail line of insurance products like Motor, PA, householder and similar products approved by the regulator. As on date we have 28 active IMFs with us.

Bancassurance Channel is a business model which offers immense opportunities of growth. Currently we have Bancassurance tie-ups with 26 Banks which includes PSU Banks like Corporation Bank, Union Bank of India, Canara Bank, Bank of India and Punjab National Bank. Also added to the tie-ups were Citi Bank which is classified as a foreign bank and South Indian Bank, classified as a private bank as per schedule II of RBI.

Bancassurance channel contributed ₹ 237.50 crores of business in the year 2016-17, registering a growth of 73%. Discussions have also been initiated with numerous Banks for new Bancassurance tie-ups. We have devised co-branded policies as per the Banks' requirement and are now linking Banks' branches with our offices throughout the country so that the channel strength can be utilized fully.

❖ **AGENCY:**

The Agency channel remains largest and most significant channel of business for the Company. The efforts for training and empowering Agents and Agent Managers continued during the year for more effective functioning and better performance of agents in increasingly competitive retail market.





Every Operating office has an Agent Manager to train agents and to provide sales and service support. During the year, 201 more Agent Managers were trained. Training helped them better understand their role in nurturing and empowering agents to enhance their performance. Training programs were also organized for champion Agent Managers at National Insurance Academy, Pune and CMD club agents at Insurance Institute of India, Mumbai for enhancing their skills.

Agent portal is new initiative to further increase penetration and thrust in retail market. Agents can now log in to Agent portal and issue policies on 24x7 basis. Constant encouragement and motivation supported by training substantially enhanced usage of agent portal by agents. During the year, Portal access was enhanced to over 15000 agents and they issued 20.46 Lacs policies generating Premium of Rupees 776 Crores. The Company intends to issue more than 35 Lacs policies generating Premium of ₹1200 Crores through agent portal in the financial year 2017-18.

The company distributed agent club benefits to eligible club members in a National CMD Agent Club Members Convention at Kolkata. The conventions were held at each Regional office also for other eligible club members.

During the year, 9469 new agents were recruited and various prize schemes were implemented for agents in Motor, Health and Miscellaneous business. The Premium procured by Individual agents was ₹8217 Crores with growth of 16.10 % & ₹269 Crores through Corporate Agents.

❖ **PRADHAN MANTRI SURAKSHA BIMA YOJANA**

PRADHAN MANTRI SURAKSHA BIMA YOJANA is a Group Accident Insurance Scheme covering accidental death and disability of a person for a premium of ₹12/- per annum per member. Our Company has enrolled 1.53 crore members under this scheme with the help of 303 tied up Banks. The total premium collected in 2016-17 is ₹18.14 crores. With claim settlement ratio of over 94% the Company has ensured effective claim disposal and helped in achieving the objective of the scheme.

❖ **RURAL AND SOCIAL SECTOR AND MICRO INSURANCE :**

The New India Assurance is the pioneer Non-Life Insurance Company in insuring all types of assets and lives of Rural and Social Sector members in the country.

Company has been a major player in the Rural & Social Sector Insurance business in India with a variety of products.

Insurance covers provided by the Company are need-based/tailor-made for the benefit of Rural and Social Sectors and Rural Insurance activities are village specific.

Company's Regional Offices have participated in Centrally Sponsored Cattle/Livestock Insurance Schemes, Corporate Dairy Schemes and State/Local based schemes, Special Insurance Schemes like Drip Irrigation Policy, Solar Pumpset Insurance Policy, KCC Master Policy etc.

The Company is now empanelled by the Govt. of India, Ministry of Agriculture for implementation of our Hon. Prime Minister's Ambitious Policy for Indian Farmers i.e. Pradhan Mantri Fasal Bima Yojana (PMFBY), Restructured Weather Based Crop Insurance Scheme (RWBCIS) & Unified Package Insurance Scheme (UPIS).

We are now implementing the scheme in Tamil Nadu during Kharif 2016 & Rabi 2016-17 & Odisha during Rabi 2016-17.

As per the Government of India directives our Company is participating in the Tendering Process in various State Governments all over India.

During our entry in the first year itself, we have completed gross premium of ₹1046.42 crores.





❖ **RSBY & GOVERNMENT BUSINESS DEPT :**

RSBY & Govt. Business Dept. was formed in July 2013 to exclusively deal with government business. Purpose of forming the department was to have (i) a focused approach to keep track on all RSBY & Other Govt. sponsored mass schemes (ii) to ensure growth and (iii) profitability of the scheme so that it can sustain for long.

The Company is implementing RSBY schemes in different states of India. The company is also implementing various other government sponsored mass schemes like 'Bhama Shah SwasthyaBimaYojna' in Rajasthan, Arunachal Pradesh Chief Minister's Health Insurance Scheme in Arunachal Pradesh and so on. We are the insurer serving for the second year in row in the state of Rajasthan for Bhamashah Scheme. The scheme covers a population of 1 crore Bhama Shah Card holders with the coverage of ₹ 30,000/- for secondary treatment and ₹ 3,00,000/- for critical illness treatment.

The 'RuPay Insurance program 2015' providing Personal Accident cover to 41.22 crore account holders under the Prime Minister Jan DhanYojna, for the RuPay Card Holders has also been successfully implemented by the Company. This scheme has been renewed for the year 2017-18 also.

The company will start implementation of UP RSBY scheme in coming months of FY 2017-18, covering 40.51 lac families (with maximum family size of 5). We have few proposals still in pipeline and will get executed in FY 2017-18 to exhibit consistent growth in this financial year too.

It is likely that RSBY Scheme will undergo changes after cabinet has approved National Health Policy 2017. For the time being states have been extending the current RSBY & Government business policies for approx. 6 months.

❖ **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

Complying with the provisions of the Company's Act 2013, CSR Committee of the Board was constituted in September 2014 with a mission to achieve our vision "to strive to transform India into a Risk Aware Society from being a Risk Averse Society" by integrating social environmental and health concerns of the Indian Society into Company's overall CSR Policy and Programme.

The thrust of our CSR activities is on capacity building, empowerment of communities' inclusive social economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions and up-liftment of the marginalized and under privileged sections of the society. Procedure was formulated and guidelines were issued for ease of CSR activities.

For the year 2016-2017 ₹26.96 crores were earmarked towards various CSR activities. Out of this, total spendings have been to the extent of ₹18.94 crores. Details of the same is given as per Annexure.

To help the water starved / drought hit regions, it has been decided to include "water conservation" as one of the activities under our present CSR activity.

❖ **CUSTOMER CARE**

Customer Service Cells are well established at Company's Corporate Office and all Regional Offices.

"May I help you?" counters have been provided in all Regional Offices, Divisional Offices and Branch Offices for dealing with the issues raised by company's customers. Online information on the Company's various products are provided in the website <http://newindia.co.in>, for the benefit of the public.

The Company's Call Centre established in 2010 forms an integral part of Customer Relationship Management Activity. The toll free number of the company 1800-209-1415 is available to the customer 24X7 for inquiries of various products and tracking status of Motor Claims and Grievances, both in Hindi and English. Service requests for further follow up are replied/resolved by company's respective operating offices. This initiative and endeavor of 'Customer Service' is a key and vital element of our business strategy for a continuous and 'progressive growth in the General Insurance Industry with value added products matching the Customers' needs and requirements.





Company's CRM Module is integrated with IRDA's IGMS site. All grievances are registered by New India and Customers through the CRM Module and by IRDA through IGMS site. All the registered grievances are reflected on CRM & IGMS sites simultaneously.

The Grievance Redressal position for the period 1.4.2016 to 31.03.2017 is as under:

Outstanding grievances as on 31/03/2016	148
Registered (From 01.04.2016 to 31.03.2017)	4301
Resolved (From 01.04.2016 to 31.03.2017)	4411
Outstanding as on 31.03.2017	38
Disposal Ratio	99.15%

❖ **ENTERPRISE RISK MANAGEMENT**

"Enterprise Risk Management (ERM) is a structured ongoing process to assess, mitigate, monitor and report the risks that an organization faces in achieving its objectives"

The Enterprise Risk Management framework of NIACL aims to:

- Establish a comprehensive governance structure with defined roles and responsibilities
- Establish defined methodology for identification, assessment, monitoring/mitigation and reporting of risk within the organization to ensure that significant risks are managed appropriately
- Strengthen the linkages between business strategy and risk appetite in order to drive decision making
- Establish consistent and common risk language and culture across the organization

The Board appointed an ERM Consultant for advising The New India Assurance Company Ltd on developing, establishing and implementing the ERM programme. The ERM project at NIACL initiated from January 2016 and is progressing well.

The ERM Policy for our company and RMC Charter/ Terms of Reference for RMC have been adopted by the Board. The Business Continuity Management Policy and the ERM Procedure Manual constituted for ERM Cell have been approved by the Risk Management Committee (RMC). The ERM Cell in consultation with the ERM Consultant has completed 3 Phases of the ERM project and all the ERM work products/ deliverables were approved from time to time. Phase III of the ERM Project is under process.

Risk Registers of all the departments at HO have been constituted and sign off is provided by all the HO departments' process owners. Based on the type of model of foreign offices (Branch/ Agency/ Subsidiary), 4 foreign offices were selected for ERM implementation and risk registers were prepared based on the understanding of their regulations and processes. Risk Appetite Statements and TOP RISK of NIACL (including Key risk indicators) have been constituted and are under consideration.

ERM training and communication plan was rolled out in this fiscal. Training was provided to 5 levels of Management i.e. Senior Management, RO Incharges, Risk Mitigation Plan owner (Chief Managers), ERM SPOC of HO departments and ERM Nodal Officers of RO's. ERM desktop wallpaper series is initiated to sensitize all the employees on the ERM concepts and terminology.

Establishing Business Continuity Management (BCM) process is a part of ERM project, which have been initiated and deliverables such as BCM Policy, Functional Recovery Plan, Recovery Procedure documents and Central document to NIACL are under consideration. The Risk Management committee of the Board of our Company periodically monitors the progress of the ERM programme.

❖ **CLAIMS MANAGEMENT**

- The Company had kept a target of 92% claims settlement in respect of Non-suit Claims. The actual ratio of settlement of Non-suit claims in 2016-17 was 97%.





- However the overall claim settlement ratio including suit claims (comprising mainly of Motor TP Claims) was 93% in 2016-17.

	Non-suit	Suit	Total
Number of Claims O/S as on 01.04.2016	96424	171807	268231
Number of claims intimated during 2016-17	3841936	233371	4075666
Number of claims settled during 2016-17	3800831	238709	4039540
Number of claims o/s as on 31.03.2017	137529	166829	304358

- Age-wise classifications of outstanding claims as on 31.03.2017 is given here under :

	Non-suit	Suit	Total
Claims outstanding for less than 3 months	115126	7734	122860
Claims outstanding for more than 3 months but less than 1 year	20840	27721	48561
Claims outstanding for more than 1 year	1562	131372	132934

➤ **Management of Non-Suit Claims**

Based on the 20 point Corporate Guidelines, the Non-Suit Claims Management was taken up with all seriousness throughout the year to achieve the desired goals. BPR Claims Management Department had concentrated on monitoring the performance of claims on country basis according to the various age bands which fell broadly into three groups viz., more than one year; more than two years and more than five years. Thus, we had the onus of improving claims settlement for the Company as a whole.

Highlights of performance for the last three years :

Parameter	31.03.2015	31.03.2016	31.03.2017
No.of claims O/s	96756	96424	137529
Amount of claims O/s	₹4370 Cr.	₹4055 Cr.	₹4769 Cr.
No.of claims O/s for more than one year	2358	2114	1261
Non-suit claims disposal ratio	95.8%	96%	97%

❖ **MARKETING DEPARTMENT**

The Company has continued to retain its predominant number ONE position to Indian Market. The Indian network was expanded by setting up one new Large Corporate Office and one International Financial Service Centre. In order to cater general insurance needs of unexplored rural areas and unrepresented urban areas 127 micro offices were opened.

Residential Training Programmes on Effective Marketing Skill & Customer Care Service for Branch Managers and Senior Branch Managers all over India was undertaken and the same were arranged at Insurance Institute of India.

In order to effectively retain the in-house sourced business provided by good performing superannuated Development Officers, the Business Associate Scheme was successfully implemented w.e.f.01.01.2017 and 59 BAs were engaged who contributed more than ₹ 30 crs premium during 2016-17.

CMD club convention for Development Officers was organized in Faridabad to felicitate star performers who continuously procure profitable business and work within stipulated cost ratio. The marketing department also interacted with A.O.(Ds), A.M.(Ds) & Development Officers boosting their moral to procure huge portion of the GDP. They were provided portals to issue policies on 24 x 7 bases enabling them to serve their customers to their satisfaction. Booklets containing performance data of all the R.O.s and important circulars were prepared for R.O. in charges conferences.





❖ **CORPORATE COMMUNICATION DEPARTMENT**

Corporate Communication Department remained overactive throughout the year to increase visibility of our products and services through various promotion tools to create favourable opinion about our Company, our various Products among our esteemed customers which helped to create new history of crossing 22000 Crores Global premium. Press conferences were organized to apprise the media fraternity of our various financial achievements and also the launch of New Product during the year. Wide coverage of our achievements, carried out by all the leading publications, boosted brand image of our company.

The department organized foundation day programme successfully with guest speaker, Mr. S. Ramadorai, Chairman National Skill Development Agency, Ex-CEO & MD TCS and a number of media persons attended the event.

In addition to effective use of traditional outdoor media; new methods like Digital Advertising on platforms such as Paytunes, TOI+TOI APP +WAP+NBT WEB, SMS Campaign, Railway Online Ticketing Portal and E.mailers were also used to reach out to maximum customers. New Hoardings and Glow signs on 78 locations have been placed at prominent Airports, Road junctions, Highways, Railway stations and Bus stands throughout the country to increase our visibility. Advertisements were also displayed on moving media like Mumbai and Delhi Metro trains, Kolkata Nano Trams, buses, containers and also on digital screens on railway platforms. Inside airport branding was taken on all the major Airports with addition of Patna Airport. Also branding inside 34 Aircrafts of Spice Jet Flights was done.

Effective use of electronic media – T.V. & radio was made on pan India basis to create awareness about our products through R. J. mentions, sponsoring tags and catchy jingles and F.M. radio shows were sponsored and good wishes were conveyed on New Year, Republic Day, Foundation Day and Independence Day to have greater mileage. 20 days Health Campaigns in Maharashtra Markets on FM stations were executed in addition to 15days campaign in MP Markets for MP Online and 20 days campaign in MP Markets during Simhast Mela.

The department sponsored a number of customer seminars, public awareness camps sports, musical, cultural events and fairs, exhibitions & regional festivals to reach the masses to expand our base.

The department also played vital role in promoting our global operations by sponsoring International insurance summit like Monto Carlo, Baden Baden reinsurance & Singapore International Reinsurance conferences and releasing advertisements in Asia Insurance Post and other Indian – foreign diplomat magazines.

❖ **RIGHT TO INFORMATION ACT**

The Right to Information Department set up at Head Office in 2005, continues to process the requests for information from Citizens all over the country and adjudicated appeals promptly and efficiently; the department continues to facilitate the principles of transparency and accountability, in conformity with the grand objectives of the RTI Act. The Central Public Information Officers' (CPIOs') of 31 Regional Offices and 9 LCBOs' also contributed to the promotion of the ideals of the Act, under the umbrella of RTI Department at Head Office.

With a view to maintaining uniformity, consistency and improved standard of approach, the function of First Appellate Authority is centralized at Head Office. In compliance with the directive of CIC, our Company has appointed Transparency Officer in the rank of General Manager.

As per the directives of Ministry of Personnel, Public Grievances and Pensions, DoPT, New Delhi, we have extended the facility of RTI Web Portal w.e.f. 20.07.2016 under the administrative control of Department of Financial Services (DFS). It is a citizen interface which facilitates Indian Citizens to file RTI applications and First Appeals online and also to make online payment of RTI fees

In compliance with the CIC guidelines / RTI Act, the Company's official website is up-dated from time to time disclosing and uploading maximum information under xvii points as mandated under the provisions of Section 4(1)(b) of the RTI Act, 2005.





❖ **ANTI MONEY LAUNDERING**

The company has been complying with the Prevention of Money Laundering Act (PMLA) 2002 since it has been made applicable to insurance companies w.e.f. 01.08.2006. Amendments issued by IRDA are adopted by the board from time to time. The Principal Compliance Officer posted at Corporate Office monitors the compliance of AML guidelines.

❖ **INDUSTRIAL DISPUTES AND DISCIPLINE**

In order to promote transparency and efficiency in the working of the Company, the Industrial Disputes and Discipline Department has put in place balanced and monitored options by advising Regional Offices to deal with various IDD matters within structured time-frames.

Online issue of no objection for various requests by the employee has been in vogue. So also, submission of Annual Property Returns online, by all the employees.

The Industrial Disputes and Discipline Department has rolled out Board approved Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) at Head Office and all Regional offices have been set up to redress complaints received.

Apart from this, various initiatives are taken by this department to nominate number of employees on various workshop/ awareness program on the subjects of Gender Sensitivity, Prevention of Sexual Harassment of Women at Workplace, Handling of Disciplinary Proceedings, Reservation Policy of the Government of India, verification of claims of candidates & employees belonging to the Scheduled Castes, Scheduled Tribes, Other Backward Classes and Persons with Disabilities.

With a 'Proactive Management of Company', industrial harmony has been maintained.

Efforts are made to promptly redress the representation/ grievances received from employees.

❖ **INFORMATION TECHNOLOGY**

Nine years ago we began our IT transformation exercise and today we have started reaping the benefits of this major initiative when the IT has aligned itself completely in every sphere of our Business Processes and started yielding results. Information Technology has become a true enabler and it has empowered Business to collect premiums from any source right from issuance of policy from our 2500+ offices to B2B, B2C, B2G and various Portals created for our various stake holders. The Policies are being issued today from any device ranging from PCs at our offices to a hand held device of our customers/Agents etc and to tightly integrated web services with our various OEM based Business.

This year we have acquired ₹2927 Crores out of Total ₹19000+ crores premium through our digital platform which is 15% of our total premium. The vibrant digital initiative has enabled Agents to use Portal and directly issue personal line policies on 24*7 basis and be more productive rather than visiting respective offices for such purposes. Today on an average we collect more than ₹3 crores of premium on daily basis from this Portal and the peak had even crossed collection of ₹9 + crores in a day. The integration with Web Aggregators is giving us very good premium. The robustness of IT platform could be tested when as per IRDAI guidelines we started paying health claims directly to each hospital or customer on day to day basis seamlessly and got stabilized very fast. More than 3000+ claims are being paid daily. We have generated more than 1.81 Cr Policies and settled more than 40 Lakh Claims.

We have launched various Mobile Apps to support business in not only collecting premium but also to support Claims Management and empowering Surveyors to deliver their services using this mechanism. Product launch in Mobile Apps began with Two Wheeler and more are planned in the coming year. We foresee huge potential to increase the foot print of mobile Apps in next year. Our E Lounge housing Windows Apps was





formally launched and has great premium potential. Thus IT today, encompasses all, right from Business procurement till ensuring timely completion of entire Accounting and Claims settlement across offices and at Corporate Level.

In order to make IT deliver as per Business Demand, the department also strengthened the underlying IT Infrastructure to a great extent in terms of providing secondary WAN Link in all offices to avoid single point of failure in primary link.

We have embarked on a major transformation exercise wherein we have procured state of the art Infrastructure. The DC, DR & NDR has moved from Tier II to Tier III standards. We have augmented our Information systems by procuring a world class Engineered solution for our storage and compute. We have introduced Compute in our NDR to ensure that our systems are available to our customers at all points of time. The mammoth exercise of Commissioning and migration is in progress. This plenary transformation in progress will take care of the much needed scalability requirement of business commensurate to the exponential growth envisaged in the Non Life Insurance sector.

Security of Systems and Data has assumed paramount importance and our Information Security Policy has been adopted by the Board and the implementation of the same is in progress. Along with compliance of the IT Security Policy that will make our Infrastructure landscape robust at process level, we are also taking measures at technology level that will beef up our security to make our Information systems impregnable.

To comply with the ministry directives we have acquired a state-of-the art portal for e-procurement tendering process and is customized to include CVC guidelines and the same is being used for all procurements. Reverse Auction was also successfully carried out in procurements.

The small step that New India had taken in its journey towards full digitalization of its business has become long strides and giant leaps today.

❖ **HUMAN RESOURCES DEVELOPMENT AND PERSONNEL**

➤ **STAFF WELFARE SCHEMES**

In line with the tradition of keeping the interest of its employees foremost, the Company has continued to implement welfare schemes for its employees viz. Group Savings Linked Life Insurance, Group Term Life Insurance, Employees Deposit Linked Life Insurance, Group Mediclaim Policy covering employees and family members and Lump sum payment for Domiciliary treatment, Education Advance Scheme, Housing Loan and Vehicle Loans at subsidized rate of interest, Retirement Benefit and Death Relief Schemes managed by Mutual Benefit Society for employees, Leave Travel Subsidy etc. There are other schemes which provide 24 hours cover to employees against accidental death or permanent disablement.

The Company provides Ex-gratia relief scheme to its employees which provides for reimbursement of medical expenses, beyond the Mediclaim cover, for high cost/protracted treatment including provision for ex-gratia for any illness / hospitalization expenses which are not normally covered under Group Mediclaim Policy of employees. Special leave is sanctioned and medical expenses are reimbursed if employee meets with Accident whilst on duty which is in addition to the 24 hours Accidental cover provided to employees. Special leave is also granted for participating in National & International sports events including Mountaineering Expedition and Trekking events. Employees are encouraged for pursuing higher post graduate academic courses for which financial assistance is provided.

In order to facilitate more transparency and expeditious settlement, the Company has implemented online access to all its employees for availing the benefits and necessary training has also been imparted to them.



➤ **HUMAN RESOURCES****Employee strength as on 31st March 2017**

Category of employees	Male	Female	Total
Class I	5438	1986	7424
Class II	1156	41	1197
Class III	5510	1842	7352
Class IV (Excluding Part Time Sweepers)	1208	419	1627
Part Time Sweepers	12	3	15
TOTAL	13324	4291	17615

Recruitment and Reservation:

Number of employees recruited during 2016-17

Category of Employees	SC	ST	OBC	Total*	Ex-Servicemen	PWD
Class-I			3	9	1	
Class-II						
Class III	4	2	6	15		
Class IV (Excluding Part Time Sweepers)	2	1	2	6		2
Part Time Sweepers						
TOTAL	6	3	11	30	1	2

* Ex-Servicemen and PWD included in Total

Representation of Scheduled Caste and Scheduled Tribe employees under various cadres as on 31.03.2017

Category/Level	Total Number	Number and Percentage			
		SC	%	ST	%
Class-I	7424	1536	20.69%	576	7.76%
Class-II	1197	107	8.94%	42	3.51%
Class III	7352	1606	21.84 %	581	7.9 %
Class IV (Excluding Part Time Sweepers)	1627	790	48.55 %	132	8.11 %
Part Time Sweepers	15	12	80 %	0	
TOTAL	17615	4051	23.00%	1331	7.56%

The Company Strictly adheres to Brochure provisions and Government DoPT guidelines regarding reservations and concessions in the matter of recruitment and promotion and safeguards the interest of employees belonging to SC/ST/OBC/PWD and Ex-servicemen.

Pre-promotional training programs were duly organised for all eligible SC/ST/OBC employees for promotion to various cadres. Similarly, for Class III and Class III to I promotional exercise, pre-promotional training is imparted to SC/ST/OBC employees under Dr. B. R. Ambedkar Welfare Trust. Regular training programmes are conducted on personality development, stress management, motivation etc. for SC/ST employees of various cadres. Various benefits under Dr. B. R. Ambedkar Welfare Trust have been given to SC/ST/OBC employees. SC/ST/OBC employees have been nominated for NIA, Pune training programmes on a regular basis.

Pre-recruitment training programmes were also arranged for SC/ST/OBC candidates at various centres on All-India basis.





A separate reservation cell is actively functioning at Head Office and Regional Office level for SC/ST/OBC/PWD/Ex-servicemen employees. A Liaison Officer under the charge of Chief Liaison Officer manages this cell at Head Office, whereas, Assistant Liaison Officers head the cells at various Regional Offices.

A well-defined mechanism has been provided under which, on yearly basis, the Liaison Officer from the Head Office inspects the Rosters pertaining to recruitment and promotions at all Regional Offices. The inspection report with observations of Liaison Officer, are put up to the Chief Liaison Officer & General Manager (Personnel) for further directions and sent back to the respective Regional Offices with necessary advices. Based on the inspection report, action is taken by the concerned Regional Offices in co-ordination with the Head Office to rectify shortcomings in procedure, if any, observed by the Liaison Officer.

Special attention is given to complaints/grievances raised by SC/ST/OBC employees and they are resolved within shortest possible time-frame.

The Company is providing financial support on behalf of Dr. B. R. Ambedkar Welfare Trust, to various SC/ST/OBC welfare activities. On the eve of Mahaparinirvan Day i.e. December, 6th every year these welfare activities are supported to observe the death anniversary of Dr. B.R. Ambedkar at Chaitya Bhumi, Dadar.

➤ **GENDER ISSUES AND EMPOWERMENT OF WOMEN**

The Company has a strong women force and provides adequate opportunities for self and career development. A significant number of women Officers, as on 31.03.2017, are holding senior positions in our Offices:

General Manager	3
Deputy General Manager	6
Chief Manager / Regional Manager	14
Divisional Manager / Sr. Divisional Manager	47
Branch Manager / Sr. Branch Manager	58

- Women executives are nominated for various programmes organized by Forum of Women in Public Sector (WIPS)
- Women Officers are also nominated in large numbers to the Programme for Women Managers conducted by National Insurance Academy, Pune
- Women's Committees are constituted at Head Office and various Regional Offices and are actively involved in resolving all gender-related issues/cases referred to them
- The International Women's Day was celebrated on March 8th, 2017 in all Offices across the country. Seminars were organised at various centers on topics such as Women Entrepreneurship, Stress Management, Work-Life Balance, Mental & Physical Health, Nutritious diets, Rights of women under various laws of the country, and new law for protection of the women at workplace etc.

➤ **TRAINING :**

In the competitive scenario of the insurance industry of present times, it is of utmost importance to keep our employees abreast of the changes and to develop their insurance skills both in underwriting and claims settlement. Keeping this in mind, the Company conducts regular training programs. The Company also nominates employees for various training programs organized by external institutes from time to time.

The focus of the trainings are on policy awareness, technical matters, specialized topics, marketing strategies, IT, personality development etc. Apart from emphasizing on mainstream training, the Company encourages the nominations in alternate training programs, as arranged for homogenous group of employees.





The employees are sent for training programs held at National Insurance Academy, Pune, Insurance Institute of India, Mumbai, Institute of Public Administration, Bangalore, Bombay Stock Exchange etc.

Women employees are also nominated in specialized training programs like the Women Managers Training Programme.

Pre-promotional training had been imparted to all eligible SC/ST/OBC employees of all cadres. Pre-recruitment training had been imparted to all SC/ST/OBC applicants. All willing employees of all cadres had been imparted Training in 2016-17.

Based on research, New India Trg Dept HO training nominations to different trg progs has been shifted from nomination-based to employees' wish-based, ie, employee decides which trg prog, he/she will go, when, with whom and where, once in a year.

The details of Training Programs attended by the employees during the period April 2016 to March 2017 are as under :-

CENTRES	TOTAL NUMBER OF PARTICIPANTS
NATIONAL INSURANCE ACADEMY, PUNE	949
EXTERNAL INSTITUTES	38
TRAINING DEPT., HO/RTCs/RO TRAINING DEPTs	12374
TOTAL	13361

Apart from above, various Depts at HO conducted homogeneous training Progs to respective segment-associated employees. Marketing Dept, HO arranged Training to all the Operating Office Heads; Agency Dept, Rural Ins and Clams HUB Depts, HO imparted Trg to Agents Managers and respective Dept-attached Officials.

❖ **OFFICIAL LANGUAGE IMPLEMENTATION**

The company has dedicated Official Language Department which works as per the guidelines issued by the Official Language Department of Ministry of Home Affairs and Department of Financial Services . According to these guidelines all the offices of the company put all possible efforts to explore and increase work in the implementation of the Official Language.

The activities undertaken for proper implementation of the official language includes holding Hindi workshops , inspection of various offices , holding Official language implementation committee meetings at Head Office and various regional offices , translation of various documents , policies and circulars into Hindi & conducting training for officers and staff.

The third Sub-Committee of Parliamentary Committee on Official Language visited our Gurgaon D.O. under Delhi R.O.-1 On 8.4.2016, M.R.O.-2 on 2.7.2016 and Ahmedabad R.O. on 26.10.2016.

To motivate employees,towards promoting the Official Language Hindi & to increase the interest of the Official Language Hindi among them, Hindi month was organized in the Head Office from 14th Sept., 2016 to 14 October, 2016. Employees were felicitated for working in Hindi during the entire year

In the year 2016-17 Hindi Officers Conference was organized by Dehardun R.O. at Rishikesh on 28th & 29th November, 2016. Dr.Dinesh Chamola, Prof. & Chairman Hindi Department, Utterakhand Sanskrit Vishwa Vidyalaya, Haridwar was the Chief Guest. Rajbhasha Shield's were awarded for best performance in 'A' Region to Deharudun, Jaipur and Bhopal R.O.

Two issues of Corporate House Magazine 'Arjan' were published in which employees from various Offices of our company contributed. TOLIC of Mumbai PSU's, Organization Aashirwad awarded Prize for our first issue. Similarly all R.O's published house magazine regularly. This year H.O. has published e-magazine 'Udgam'. Some other R.O.'s have also published e-magazine





We received few awards appreciating our efforts towards Official language implementation across the organization.

The Department is constantly working to play a key role in spreading Regional Language along with the Official Language.

❖ **INTERNAL AUDIT**

Internal Audit has been playing a vital role towards strengthening the Corporate Governance and complying with management objectives to improve and strengthen internal controls.

Internal Audit functions comprises of examining, evaluating and reporting to the Management on adequacy of internal controls, effective and efficient use of resources in the best possible manner to guard against the leakage of revenue. IAD has ensured that all operating offices are audited at least once in the financial year. The Department has also conducted regular audits of their Regional Offices, Claims Hubs, Broker DO, LCBOs, Auto tie-up offices & HO Departments and monitor financial transactions, quality underwriting and adequacy of provisions.

Internal Audit Dept. has been instrumental in detecting and reporting to the Management for rectification of systems and procedural lapses. IAD has also helped in enhancing the performance of Audit Compliance Cells at the various operating offices for speedy resolution of pending audit queries – both internal and CAG.

During the Financial Year, maximum stress was given towards resolving pending queries. At the end of the financial year, the observations of the IAD are consolidated in the form of Annual Report.

In addition to laying emphasis on adherence to various systems and procedural lapses, more stress has been given for strengthening the audit compliance mechanisms and initiating fresh interventions to ensure elimination of recurring system & procedural lapses. In addition to HO level Audit Workshops, Internal Audit Department at Regional Offices is conducting quarterly workshops for resolving maximum number of pending queries.

IAD has conducted 27 HO level audit workshops, 40 RO level workshops and 3 CAG workshops.

❖ **LEGAL & CONSUMER FORUM**

A suit claim has two aspects – the legal aspect and technical aspect. The legal aspect is handled effectively by the Department in consultation with the respective Technical Department at HO as per guidelines.

Further, the focus of the Department is shifted towards effective handling of Arbitration cases. With the introduction of the new Arbitration and Conciliation (Amendment) Act, 2015 and the Commercial Courts Act, 2015, the key issue of speedier resolution of disputes has been addressed and thus leading to more effective resolution of Arbitration cases.

The Company has also created Centralized Legal Hubs at Mumbai for handling State Consumer Disputes Redressal Commission cases for all Regional Offices at Mumbai and at New Delhi for National Consumer Disputes Redressal Commission & Supreme Court cases in order to handle such matters effectively.

❖ **VIGILANCE**

The Vigilance Department working under Chief Vigilance Officer has units in all the Regional Offices. The department is driven by a well defined Mission which includes 'creating an atmosphere conducive to zero-corruption functioning with role clarity and clear sense of direction.' In order to achieve this mission, the department conducted 170 vigilance workshops predominantly as preventive vigilance, 620 surprise inspections, and creating & circulating guidelines on contemporary areas more susceptible to frauds and system improvements.

Vigilance Awareness Week was observed from 31st October to 5th November, 2016. The theme for the year was "Public Participation in Promoting Integrity and Eradication of Corruption". Vigilance Department is publishing in house magazine "nia Vigil" on quarterly basis to create awareness about systems and procedures of the Company and latest developments in the industry.





All India Annual Conference for Vigilance Officers was held at Alibaug, Raigad Dist, Maharashtra State on 6th & 7th March, 2017. Inputs and experiences shared during the Conference, was found to be useful among the Vigilance Officers.

❖ **PARTICULARS OF EMPLOYEES AS REQUIRED DRAWING REMUNERATION OF ₹ 60 LAKH AND ABOVE**

The particulars of employees drawing remuneration of ₹ 60 lakh and above for the year ended 31st March 2017 are as under :

NAME OF THE EMPLOYEES	SERVICE	DESIGNATION	REMUNERATION	QUALIFICATION	DATE OF JOINING	AGE	LAST EMPLOYMENT HELD	PLACE
	IN YRS							
MR.MAYANK KUMAR JHA	14	CHIEF OPERATING OFFICER	84,64,632	M.B.A., FIII, LLB	25.02.2002	42	New India Assurance Co. Ltd.	HONGKONG
Mr. G. RADHAKRISHNA	32	GENERAL MANAGER	67,22,908	M.A.LIII	1.06.1983	54	New India Assurance Co. Ltd.	LONDON
PHILIP SCOTT	39	CHIEF UNDERWRITER	1,23,02,956	ACII	1.8.2011	59	Assicurazione Generali Spa	LONDON
JAMES DEY	33	TREATY UNDERWRITER	1,64,08,588	ACII	19.9.2011	52	BRIT	LONDON
S.RATNASABAPATHY	38	CHIEF ACCOUNTANT	70,13,564	FCEA	01.04.1995	62	Henley Industries	LONDON
MR. JAMES BAKER	31	UNDERWRITER	67,79,779		01.09.2011	48	Scan re.London	LONDON
MRS PANNA SHAH.	38	Accountant	63,56,032	Book Keeping	01.07.1993	61	P.S.J. Alexander & Co.	LONDON
Mr. ELAMKUMARAN RAMASAMY	28	CHIEF OPERATING OFFICER	7250588.411	M.B.A., FIII	27.11-1989	53	State Bank of Travancore	SYDNEY
MR. BABU RAJAN U.V.	14	MANAGER OSAKA	7383628.28	B.TECH.(CHEM)A.III	25.02.2002	41	AMAL PRODUCTS LTD.	OSAKA

❖ **INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (IRDAI)**

The Company being a General Insurance Company, its working and functions are governed by the regulations of Insurance Regulatory and Development Authority of India. The Accounts of the Company are drawn up according to the stipulations prescribed in the IRDA (preparation of Financial Statements and Auditor's Report) Regulations 2002 and as amended from time to time.

FINANCIAL RATING

AM Best Company has reaffirmed the Financial Strength Rating of A-(Excellent). The rating reflects the Company's favorable investment results, strong solvency ratio and its strong presence in domestic and overseas markets.

CRISIL has reaffirmed its 'AAA/Stable' rating of The New India Assurance Company Ltd. indicating that the Company has the highest degree of financial strength to honour its policyholder's obligations. The rating continues to reflect the Company's leadership position in the Indian General Insurance industry, its healthy capitalization, sound asset quality and comfortable liquidity.

FOREIGN EXCHANGE EARNING & OUTGO AND OTHER INFORMATION:

The particulars of Foreign Exchange earnings/outgo as required by the Companies Act under Section 217(1) (e) is given below :

Earnings : ₹ 369.68 crores (P.Y. ₹ 632.65 crores)

Outgov : ₹ 582.51 crores (P.Y. ₹ 709.80 crores)

The earnings included all receipts denominated in foreign currencies in respect of premium, recovery of claims, outward commission and investment earnings. The outgo comprised all payments in foreign currency in respect of outward premium, claims on reinsurance accepted, commission and expenses of management.





Expenses on (a) Entertainment (b) Foreign tours and (c) Publicity and Advertisement amounted to ₹ 1,11,69,220 (P.Y. ₹ 1,41,59,506); ₹ 2,37,85,462 (P.Y. ₹ 1,68,13,152) and ₹ 60,45,07,128 (P.Y. ₹ 35,15,96,911) respectively.

CONSOLIDATED FINANCIAL STATEMENTS

Provisions regarding Financial Statements are laid down under Section 129 of the new Companies Act 2013. As per the provision of Section 129 (2) of the said Act, at every Annual General Meeting of a company, the Board of Directors of the Company shall lay before such meeting financial statements for the financial year. Section 129(3) of the Companies Act 2013 provides that where a company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-section (2) of Section 129, prepare a consolidated financial statements of the company and of the subsidiaries in the same form and manner as that of its own which shall also be laid before the Annual General Meeting of the company along with the laying of its financial statements under Sub Section (2) of Section 129.

As per the above section, the Company is required to prepare financial statements as above.

❖ CORPORATE GOVERNANCE:

Corporate governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled such that it can fulfill its goals and objectives in a manner that adds to the value of the company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the board of directors, management, shareholders to customers, employees and society. The management of the company hence assumes the role of a trustee for all others.

The Board meets at least once a quarter to review the quarterly, financial, and operational and investment performance of the Company. The company's philosophy on corporate Governance lays strong emphasis on transparency, accountability and integrity. Corporate governance is concerned with the establishment of a system whereby the Directors are entrusted with responsibilities and duties in relation to the directions of corporate affairs. It is concerned with accountability of who are managing it. It is concerned with morals, ethics, values, parameters, conduct and behavior of the company and its management.

➤ BOARD OF DIRECTORS

The Board underwent the following changes in its composition since the date of last directors' report, i.e., 30th April 2016:

- Ms T.L. Alamelu was appointed as Director vide Ministry letter A 11011/10/2009-Ins.IV dated 7th September 2016.

The composition and profile of the Board of directors of the company as on 31st March, 2017 is as under:

1. Mr. G. Srinivasan, Chairman-cum-Managing Director
2. Mr. Mohammad Mustafa, Government Nominee Director
3. Mr. Arun Tiwari, Director
4. Mr. Hemant G. Rokade, Whole Time Director
5. Ms T.L. Alamelu, Whole Time Director



➤ **BOARD MEETING DETAILS :**

During the year, the Board met Seven (7) times. The attendance of the Directors at the said meeting is as below:

Director	No. of Meeting held	No. of Meetings attended
1. Mr. G. Srinivasan	6	6
2. Mr. Mohammad Mustafa	6	2
3. Mr. Arun Tiwari	6	5
4. Mr. Hemant G. Rokade	6	6
5. Mr. P. Nayak	6	1
6. Ms T.L. Alamelu	6	3

The Board also met on 03.05.2017, for approval of audited accounts of the company for the financial year 2016-17.

➤ **AUDIT COMMITTEE DETAILS :**

The Audit Committee inter-alia oversees the financial statements and financial reporting before submission to the Board, internal audit function and the work of the statutory auditors. It also reviews the reports of the internal auditors and statutory auditors along with the comments and action taken reports of the management. During the year under review, the Audit Committee met 5 times.

Director	No. of Meeting held	No. of Meetings attended
1. Mr. Arun Tiwari	5	4
2. Mr. Mohammad Mustafa	5	2
3. Mr. Hemant G. Rokade	5	5
4. Mr. P. Nayak	5	1
5. Ms T.L. Alamelu	5	3

➤ **INVESTMENT COMMITTEE MEETING DETAILS :**

The composition of the Investment Committee is in accordance with the provisions of the IRDA (Investment) Regulations 2000 as amended and the Guidelines issued thereunder by IRDA from time to time. During the year, the Investment Committee met 5 times.

Director	No. of Meetings held	No. of Meetings attended
1. Mr. G. Srinivasan	5	5
2. Mr. Arun Tiwari	5	4
3. Mr. Hemant G. Rokade	5	5
4. Ms T.L. Alamelu	5	2
5. Mr. V. Hari Srinivas	5	1
6. Ms. S.N. Rajeswari	5	5
7. Mr. Sharad Ramnaryanan	5	5
8. Mr. S. Harinath	5	4
9. Mr. S. Shankar	5	1

➤ **RISK MANAGEMENT COMMITTEE MEETING DETAILS :**

The Risk Management Committee has during the year ensured that risk management was further embedded into day-to-day business and enabling processes. Under the guidance of the Risk





Management Committee, Company has floated a tender for appointment of a consultant for risk management of operational, financial and strategic risks of the company. During the year the RMC met four (4) times

Director	No. of Meeting held	No. of Meetings attended
1. Mr. G. Srinivasan	4	4
2. Mr. Hemant G. Rokade	4	4
3. Ms T.L. Alamelu	4	3

As per IRDAI guidelines, Mr. Sharad Ramnarayanan Appointed Actuary and Mr. S. Shankar Chief Risk Officer were present in all meetings of the Risk Management committee held during the year.

➤ **POLICYHOLDERS PROTECTION COMMITTEE MEETING DETAILS :**

The Committee reviews the process being followed by the company in redressal of policyholder grievances and suggests measures for quick redressal of grievances/complaints from policyholders. During the year under review, the committee met four (4) times

Director	No. of Meeting held	No. of Meetings attended
1. Mr. G. Srinivasan	4	4
2. Mr. Hemant G. Rokade	4	4
3. Ms T.L. Alamelu	4	3

➤ **INFORMATION TECHNOLOGY COMMITTEE MEETING DETAILS :**

The company aims to be in the forefront of providing digitally enabled products and services to its customers, agents, brokers and other stake holders, in tune with its market leadership in business. The IT Committee thus reviews the IT proposals before submission to the board. During the year under review, the committee met 4 times.

Director	No. of Meeting held	No. of Meetings attended
1. Mr. G. Srinivasan	4	4
2. Mr. Hemant G. Rokade	4	4
3. Ms T.L. Alamelu	4	3

➤ **CSR COMMITTEE DETAILS :**

The CSR Committee of the Board was constituted vide 1534 Board Meeting dated 23rd September 2014. The first CSR Committee Meeting was held on 29th October 2014. During the year under review, the committee met once.

Director	No. of Meeting held	No. of Meetings attended
1. Mr. Arun Tiwari	1	1
2. Mr. G. Srinivasan	1	1

➤ **PROPERTY REVIEW COMMITTEE DETAILS :**

The Property Review Committee Meeting was held on 2nd January 2017. During the year under review, the committee met once.

Director	No. of Meeting held	No. of Meetings attended
1. Mr. G. Srinivasan	1	1
2. Mr. Mohd. Mustafa	1	1
3. Mr. Hemant G. Rokade	1	1
4. Ms T.L. Alamelu	1	A





➤ **IPO COMMITTEE DETAILS :**

The first IPO Committee meeting was held on 17th March 2017. During the year under review, the committee met twice.

Director	No. of Meeting held	No. of Meetings attended
1. Mr. G. Srinivasan	2	2
2. Mr. Hemant G. Rokade	2	2
3. Dr. N. Srinivasa Rao	2	2
4. Mr. Manish Singh	2	2

➤ **REMUNERATION COMMITTEE DETAILS :**

No Remuneration Committee meeting was held in the year 2016-17.

➤ **REMUNERATION TO DIRECTORS :**

During the year under review, company has not paid any Sitting Fees to its Directors.

KEY MANAGERIAL PERSONNEL :

As per Section 2(51) and Section 203(1) of The Companies Act 2013 the following were the Key Managerial Personnel of the Company as on 31.3.2017 :

Chairman cum Managing Director	:	Mr. G. Srinivasan
Director & General Manager	:	Mr. Hemant G. Rokade
Director & General Manager	:	Ms T.L. Alamelu
Company Secretary	:	Ms Jayashree Nair
Chief Financial Officer	:	Ms S.N. Rajeswari

As per IRDA Act 1999 and further amendments thereto, following were the key managerial personnel of the Company as on 31.3.2017:

Chairman cum Managing Director	:	Mr. G. Srinivasan
Chief Marketing Officer	:	Shri Renjit Gangadharan
Appointed Actuary	:	Shri Sharad Ramnarayanan
Chief Financial Officer	:	Smt S.N. Rajeswari
Chief of Internal Audit	:	Shri R.P. Joshi
Chief Investment Officer	:	Shri S. Harinath
Chief Risk Officer	:	Shri S. Shankar
Chief Compliance Officer	:	Smt Jayashree Nair

DISCLOSURES :

- During the year, there are no pecuniary relationships or transactions with the Non-Executive Directors.
- Financial Statements accurately and fairly represent the financial condition of the Company.
- There has not been any significant change in the accounting policies of the Company during the year.
- The Company has Business Risk Management process which is periodically reviewed by the Board of Directors/Risk Management Committee to determine its effectiveness.
- The Board of Directors and the Audit Committee periodically reviewed the status of compliances in respect of applicable Laws and report thereon by the Internal Audit team.





- Whistle Blower Policy – The Company has a Whistle Blower Policy and the same has been hosted on the website.
- Solvency Margin of the company for the year 2016-17 global is 2.19 times (PY 2.30 times) and Indian is 2.48 times (PY 2.67 times).

❖ **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act 2013)**

The Company has formulated an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act 2013 Internal complaints committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is the summary of Sexual harassment complaints received and disposed off during the year 2016-17 :

No. of Complaints received : Nil

No. of complaints disposed off : Nil

❖ **AUDITORS AND AUDIT REPORT**

Under 139 and Section 143 of The Companies Act, 2013, the Comptroller and Auditor General of India, appointed M/s. Devendra Kumar and Associates, M/s. Bafna and Associates and M/s. NBS & Co. as the Central Statutory Auditors of the Company for the year 2015-16. Branch auditors for the various Regional Offices, Divisional Offices and claims hubs in India and for the foreign branch/agency offices were also appointed for the year. The Board of Directors expresses its gratitude for the directions and guidance given by the statutory auditors in drawing up the Company's annual results.

❖ **CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORTING:**

The CSR Reporting as per Section 135 of The Companies Act 2013 is given in Annexure I.

❖ **SECRETARIAL AUDIT :**

The Board has appointed S.N. Ananthasubramanian, Practising Company Secretary to conduct Secretarial Audit for the financial year 2016-17.

Replies to the observations made by Secretarial Audit Report dated 26th April 2017 for the year 2016-17 is stated in this report.

Pursuant to Section 204 of The Companies Act 2013, the Secretarial Audit Report of the Company is given in Annexure II

❖ **EXTRACT OF ANNUAL RETURN :**

Pursuant to Section 92(3) of the Companies Act 2013 and Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of the Annual Return is annexed as Annexure III.

❖ **RENEWAL OF LICENCE BY THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY (IRDA)**

Section 3 A has been amended by the Insurance Laws (Amendment) Act 2015 to remove the process of annual renewal of the certificate of Registration issued to insurers under Section 3 of the Insurance Act 1938. The insurers however, shall continue to pay such annual fee as may be prescribed by the Regulations. Thus w.e.f. 26.12.2014 insurers shall not be issued the Renewal Certificate of Registration (IRDA/R6) on an annual basis.

Accordingly, the Certificate of Registration of the Insurers renewed in 2016 and which expired on 31st March 2017 shall continue to be in force from 1st April 2017, subject to the provisions of Section 3A read with Section 3 of the Insurance Act 1938. The Certificate of License has been renewed by IRDA w.e.f. 01.04.2017.

The Company has paid the renewal fees as prescribed by the above Regulations.



❖ **SUBSIDIARY COMPANIES**

The Company has 3 Subsidiary Companies. The names and details of New India shareholding are as under:

S.No.	Name of the subsidiary	Total paid-up capital (no. of shares)	New India's shareholding (no. of shares)	% holding of New India Assurance
1.	The New India Assurance Company (Trinidad & Tobago) Limited	17,418,946	146,12,444	83.89
2.	The New India Assurance Company (Sierra Leone) Limited	250,000	250,000	100.00
3.	Prestige Assurance Plc. Nigeria	5,370,434,000	3,732,452,000	69.50

The performance of subsidiaries for the year ended 31st December 2016 is summarized below:

(Figures in '000)

Name of the subsidiary	Currency	U/w Profit/Loss		Investment Income		Other Income		Profit before tax		Dividend	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
NIA (T&T) Ltd.	\$	13,068	10156	5,245	5119	1,076	1382	19,389	16657	3484	3484
NIA (S.Leone)Ltd.	Le	(41,758)	(18062)	21,553	12716	-	NIL	(20,205)	5346	NIL	NIL
Prestige Assurance	N	(1,81,320)	(840514)	3,85,955	(543392)	1,35,759	(317461)	3,40,394	20544	NIL	NIL

- All the subsidiary companies follow the calendar year for finalisation of accounts. Therefore, performance has been given for the year ended 31st December 2016.
- The New India Assurance Company (Sierra Leone) Limited has closed down business operations with effect from 1st January 2003 due to the civil disturbances prevailing in that country. The Company has not declared any dividend for the year 2016-17.
- In compliance with the provisions of the Companies Act 2013, the report and audited accounts of the subsidiary companies are appended hereto.

❖ **CONSOLIDATED FIGURES PERTAINING TO DISCLOSURE ON SPECIFIED BANK NOTES- F.Y. 2016-17****RO Consolidated figure (₹)**

	SBNs	Other denominations	Total
Closing Cash on hand as on 08.11.2016	15,10,49,179.00	6,84,21,192.00	21,94,70,371.00
(+) Permitted receipts	16,12,500.00	1,36,07,53,868.00	1,36,23,66,368.00
(-) Permitted payments	-	1,34,36,762.00	1,34,36,762.00
(-) Amounts deposited in Banks	15,26,61,679.00	1,34,99,67,316.00	1,50,26,28,995.00
Closing cash in hand as on 30.12.2016	-	6,57,70,982.00	6,57,70,982.00

Permitted receipts	Amount (Rs.)
ROs	
720000	16,12,500.00





❖ **ADOPTION OF ACCOUNTS BY SHAREHOLDERS :**

The Company's Annual Accounts for the year 2016-17 were adopted by the shareholders at the Annual General Meeting held on 02.08.2017.

❖ **GENERAL BODY MEETING :**

The last three Annual General Body meetings (AGMs) of the company were held at the Registered office of the company at 87, M. G. Road, Fort, Mumbai – 400 001 on the following dates :

Thursday, 25th August 2016
Thursday, 9th July 2015
Thursday, 19th June 2014

❖ **SUBMISSION OF ACCOUNTS BEFORE PARLIAMENT :**

The Ministry of Finance, Department of Financial Services, (Insurance Division) has confirmed that the Annual Report of the Company for the Financial Year 2015-16 along with the Directors' Report was placed before Lok Sabha on 25th November 2016 and Rajya Sabha on 29th November 2016 as per the requirement of the Companies Act, 2013.

❖ **DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that :

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- Appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The annual accounts on a going concern basis; and
- Proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.
- No Material Changes and commitments affecting the financial position of the Company has occurred between 31st March 2017 and the date of the Report.

PLANS FOR 2017-18

• **Domestic :**

The company has drawn an action plan for the financial year 2017-18

Company plans to achieve ₹ 22,500 crore of premium in India.

• **Foreign :**

Company plans to achieve ₹ 3,500 crore gross premium for 2017-18.

❖ **CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION :**

Considering the nature of the operations of the Company, the provisions of Section 134(3)(m) of The Companies Act 2013 read with Companies (Accounts) Rules 2014 relating to information to be furnished on conservation of energy and technology absorption are not applicable.





❖ **ACKNOWLEDGEMENT**

The Board of directors thanks Government of India, Ministry of Finance, Department of Financial Services (Insurance Division), Insurance Regulatory & Development Authority (IRDA), General Insurers' (Public Sector) Association of India (GIPSA), General Insurance Council, intermediaries and other government and regulatory agencies for their valuable guidelines and continuous support provided to the company throughout the year.

The Board of directors are also grateful to the valued customers, bankers, agents, surveyors, stakeholders and public at large for the patronage and confidence reposed in the company.

The Board of directors places on record their appreciation for the commitment, sense of involvement and dedication exhibited by each staff member in the overall development and growth of the company and look forward to the continued support and whole-hearted cooperation for the realization of the corporate goals in the year ahead.

For and on behalf of the Board

G. SRINIVASAN

Chairman cum Managing Director

Place : Mumbai

Dated : 3rd May 2017





CERTIFICATE ON FINANCIAL STATEMENTS

This is to certify that the financial statements of the company for the year ended 31st March 2017 placed before the board of directors for adoption and approval do not contain any false or misleading statements or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

S. N. Rajeswari
Chief Financial Officer

G. Srinivasan
Chairman cum Managing Director

Place : Mumbai

Dated : 3rd May 2017





CERTIFICATE OF COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES

I, Jayashree Nair hereby certify that the company has complied with the Corporate Governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Jayashree Nair
Company Secretary

Place : Mumbai
Dated : 3rd May 2017





PROFILE OF THE BOARD OF DIRECTORS

Name of the Director	Qualification	Directorship and Category of Directorship
Mr. G. Srinivasan	B.Com, FIII, ACMA	1. GIC Housing Finance Ltd., Director 2. Prestige Assurance Plc, Lagos, Nigeria Director 3. The New India Assurance Co. (T&T) Ltd., Port of Spain, Chairman 4. India International Pte, Singapore Director 5. National Insurance Academy, Pune, Member 6. Insurance Information Bureau, Member 7. Health Insurance TPA, Member
Mr. Mohammad Mustafa, IAS	Post Graduate in Philosophy	1. IWRFC as Director 2. Bank of Baroda as Director 3. The New India Assurance Co. Ltd., as Director 4. CERSAI as Director.
Mr. Hemant G. Rokade	M.com (Finance)	Prestige Assurance Plc., Lagos, Nigeria as Director.
Mr Anil Kumar	Bachelor's degree in Computer programming.	-





ANNEXURE I

RURAL INSURANCE, SOCIAL SECTOR INSURANCE AND SPECIAL SCHEME (2016-17)

Policy Details	Year	No of Policies Sold	No of Persons Covered	Amount of Premium (Rs. In Lacs)	No of Claims Reported	No of Claims Settled	Amount of Claims Settled (Rs. In Lacs)	Claims Ratio(%)
Cattle Insurance	2012-13	121180	586799	6987.1	18101	18937	3677.14	52.63
	2013-14	90898	424912	4763.33	17929	18168	4283.1	89.92
	2014-15	97012	451919	5565.13	18003	17837	4873.01	87.56
	2015-16	111516	506189	6744.99	18629	18619	5930.89	89.25
	2016-17	155893	620590	8297.86	23015	22395	7727.45	93.13
Livestock Insurance	2012-13	26655	606385	1072.97	18720	18691	632	58.9
	2013-14	21003	511649	144.94	15703	16194	518.05	357.42
	2014-15	18361	453495	774.73	14215	14220	480.36	62.00
	2015-16	21065	575906	980.1	13010	13095	482.56	49.61
	2016-17	341999	518369	1173.57	17022	16882	880.19	75.00
Agriculture Pumpset	2012-13	6405	7954	36.87	91	101	2.72	7.38
	2013-14	4361	4836	23.65	60	63	1.85	7.82
	2014-15	4618	7758	51.99	62	61	2.16	4.15
	2015-16	3148	6540	58.56	58	48	5.61	10.69
	2016-17	2266	8328	145.67	91	105	15.58	10.70
Janata Personal Accident Insurance	2012-13	225317	1398497	3967.54	8563	7881	3065.38	77.26
	2013-14	171747	1063420	2374.17	7181	8193	2295.08	96.67
	2014-15	165297	1071932	1790.45	4455	4606	2033.94	113.6
	2015-16	161552	594795	1037.6	2303	2972	1679.7	111.29
	2016-17	160126	720996	1060.37	1806	1915	1560.55	147.17
Gramin Personal Accident Insurance	2012-13	3157	44771	5.13	28	31	2.35	45.81
	2013-14	2080	10820	3.02	7	9	0.34	11.26
	2014-15	1958	2930	3.05	11	11	0.77	25.26
	2015-16	378	3196	3.15	7	6	0.69	25.11
	2016-17	82	157	2.66	4	5	0.4	15.04
Universal Health Insurance Scheme	2012-13	1765	9548	11.81	398	389	13.47	124.99
	2013-14	-	-	-	-	-	-	-
	2014-15	-	-	-	-	-	-	-
	2015-16	-	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-
Mediclaim	2012-13	1624002	12207167	275227.19	877821	828192	258204.28	93.81
	2013-14	1623524	12363886	329229.61	1110535	1132782	282147.88	85.70
	2014-15	1667569	13951117	398429.06	1497514	1493100	349371.54	87.69
	2015-16	1748312	14982366	485301.64	1358255	1368038	463054.19	95.42
	2016-17	1832865	15453823	590474.34	2971166	2933309	627124.85	106.21
Jan Arogya Bima Policy	2012-13	10435	67411	55.63	1780	1805	60.16	105.91
	2013-14	10274	70755	58.37	1525	1548	63.26	108.38
	2014-15	8719	51284	48.45	1322	1324	54.88	113.28
	2015-16	7102	39669	37.42	1099	1124	41.93	112.04
	2016-17	6445	33123	31.68	1004	998	41.62	131.37





ANNEXURE II

THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT 2016-17

1. Brief Outline of CSR Policy :

Adoption of villages, eradication of extreme hunger, malnutrition and poverty, promotion of education, promoting gender equality and empowering women, reducing child mortality and improving maternal health, combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases, ensuring environmental sustainability, social business project, contribution to Prime Ministers National Relief Fund or other fund set up by the Central or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Caste, Scheduled Tribes, other backward classes, minorities and women, Promotion of Road Safety.

2. Composition of CSR Committee

- Mr. G. Srinivasan Chairman cum Managing Director
- Mr. Hemant G. Rokade, Director & General Manager
- Mr. Anil Kumar, Director & General Manager

3. Average Net Profits of the company for the last three financial years

₹1348.41 crore

4. Prescribed CSR Expenditure

₹26.97 crore

5. Details of CSR Spent during the financial year 2015-16

- Total amount spent during the FY : ₹18.95 crore
- Amount Unspent : ₹8.02 crore
- Manner in which the amount spent during the FY is detailed below :

No	CSR Project	Sector in which the project is covered	Projects/ Programs (1) Local Area or other (2) State/District	Amount outlay (budget) project or program wise	Amt spent on the project or programs (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Direct or Implementing Agency
1	School Building for Zilla Parishad High School, Mansoorabad, Rangareddy District, Hyderabad	Construction of toilet Blocks & Repair work of school building	Rangareddy District, Hyderabad	2465000	2465000	2465000	Direct
2	Regional Cancer Centre (RCC)	Ambulance for Cancer Patients	Thiruvanthapuram, Kerala	650000	650000	650000	Direct
3	Swachh Bharat Abhiyaan, Cleaning Drive	Cleanliness Drive in Bandra, Andheri & Fort, Mumbai	Bandra, Andheri, Fort Area	117841	117841	117841	Direct





4	WWF India	Plantation of 1000000 Saplings in Dahanu & Shahpur Area	Dahanu & Shahpur Area Maharashtra	3316500	3316500	3316500	Direct
5	Cancer Patients Aids Association	Adoption of 20 Cancer Patients for 1 year	Mumbai, Maharashtra	1200000	1200000	1200000	Direct
6	ALIMCO (Artificial Limbs manufacturing Corporation of India)	Coehlear Implant surgeries to 7 needy Children		4410000	4410000	4410000	Direct
7	National Association for the Blind (NAB India)	Sponsoring 50 tons of Brailier paper		3395000	3395000	3395000	Direct
8	Akshay Patra	4 Buses to provide lunch for School children	Jaipur, Rajasthan	2088889	2088889	2088889	Direct
9	New India Assurance	Cleanliness drive in Andheri area, Mumbai	Mumbai, Maharashtra	228658	228658	228658	Direct
10	Sanjeevani... Life Beyond Cancer	Onco care giving course to needy cancer survivors	Mumbai, Maharashtra	289865	289865	289865	Direct
11	Fine Arts Society	Infrastructural Development	Mumbai, Maharashtra	1250000	1250000	1250000	Direct
12	Centre for Womens Development Studies (CWDS)		Delhi	193805	193805	193805	Direct
13	Maharashtra Swacch Bharat Abhiyaan	Construction of Toilet Blocks, distribution of dust bins, decentralise solid waste management. Bio-Mining. Structural Shed for Garbage depot for piggery farm. Compost pit, garden for children, segregation of waste by plastic bins	Districts of Pune, Nashik, Satara & Solapur District, Maharashtra	7962715	7962715	7962715	Direct
14	Swachh Vidyalaya Fund	Central Government Fund	Delhi	70000000	70000000	70000000	Direct
15	Clean Ganga Fund (Namami Gange)	Government fund for clean Ganga initiative	Delhi	70000000	70000000	70000000	Direct





16	National Sports Development Fund	Training Rural Sports person	Delhi	10000000	10000000	10000000	Direct
17	Sri Chaitanya Seva Trust	Purchase of Medical Equipments to Bhakti Vedanta Hospital	Mumbai, Maharashtra	4375000	4375000	4375000	Direct
18	Science & Technology Park	Cervical cancer detection and distribution	Pune, Maharashtra	1555800	1555800	1555800	Direct
19	National Insurance Academy, Vedar	Testing automobile carbon monoxide towards environment conversation	Pune, Maharashtra	190000	190000	190000	Direct
20	Repair & Fider Canal	Water Conversation and Sustainability of Environment	Kasti Village, Maharashtra	786700	786700	786700	Direct
21	Aquatech Synergy Pvt. Ltd.	Potable drinking water to needy school children	Mumbai, Maharashtra	100000	100000	100000	Direct
22	Street Lightening Toilet Construction	Towards cleanliness drive	Jaipur, Rajasthan	500000	500000	500000	Direct
23	Adoption of Ranibandh Village	For construction of School Building	Kolkata, West Bengal	1081702	1081702	1081702	Direct
24	Sankaradeva Netralaya	For purchase of Hospital Equipments	Guwahati, Assam	126774	126774	126774	Direct
25	Kalliyoor Grama Panchayat	Construction	Ernakulam	200000	200000	200000	Direct
26	Rotary Club Bhubaneswar	For Women Empowerment Livelihood project. Ambulance, Wheel Chair to PWD's. Distribution of 1000 Tablets & Benches in Schools	Bhubaneswar, Odisha	1994686	1994686	1994686	Direct
27	Aim for Seva	Construction of Boys Hostel for needy Children	Keonjhar District, Odisha	1000000	1000000	1000000	Direct
Total				189478935			





6. **In case the Company has failed to spend 2% of the average net profit of the last three financial years thereof the company shall provide the reasons for not spending in its Board's Report:**

The Company has spent ₹18.95 crore out of the total budget of ₹ 26.97 crore allocated project wise as given above. Some of the projects which were sanctioned in 2016-17, the implementation of the same would be carried-out in 2017-18.

7. The implementation and Monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

The Company has undertaken and implemented the projects with careful consideration and these projects are aligned with the vision in our CSR Policy. In line with the requirements of the Companies Act 2013, monitoring mechanisms have also been instituted to ensure the projects go on smoothly as planned.

G. Srinivasan

Chairman cum Managing Director

Arun Tiwari

Chairman – CSR Committee

Date : 3rd May 2017



**ANNEXURE III****FORM NO. MGT 9**

Extract of Annual Return as on financial year ended March 31 2017.

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U 99999 MH 1919 GOI 000526
2.	Registration Date	23.07.1919
3.	Name of the Company	The New India Assurance Company Limited
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	New India Assurance Building, 87, M.G. Road, Fort, Mumbai 400001. Phone : 22708100 / 22708400
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Non-Life Insurance	6512	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

SN	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	%of shares held	Applicable Section
1	New India Assurance (Trinidad & Tobago)		Subsidiary	83.89%	Section 2(87) of Companies Act 2013
2	Prestige Assurance Plc		Subsidiary	69.50%	Section 2(87) of Companies Act 2013
3	The New India Assurance Co. Ltd. (Sierra Leone) Ltd.		Subsidiary	100%	Section 2(87) of Companies Act 2013
4	India International Insurance Pte Ltd., Singapore		Associate	20%	Section 2(6) of Companies Act 2013
5	Health Insurance TPA of India Limited		Associate	23.75%	Section 2(6) of Companies Act 2013



VI. **SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)i) **Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]			No. of Shares held at the end of the year[As on 31-March-2015]			% Change during the year
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares	
A. Promoter s							
(1) Indian							
a) Individual/ HUF	40	40	0.0000	40	40	0.00002	No Change
b) Central Govt	199999960	199999960	99.99998	199999960	199999960	99.99998	No Change
c) State Govt(s)							
d) Bodies Corp.							
e) Banks / FI							
f) Any other							
Total sharehold- ing of Promoter (A)							
B. Public Share- holding							
1. Institutions							
a) Mutual Funds							
b) Banks / FI							
c) Central Govt							
d) State Govt(s)							
e) Venture Capital Funds							
f) Insurance Companies							
g) FIs							
h) Foreign Venture Capital Funds							
i) Others (specify)							
Sub-total (B)(1):-							
2. Non-Institu- tions							
a) Bodies Corp.							
i) Indian							
ii) Overseas							
b) Individuals							
i) Individual shareholders holding nominal share capital upto ₹. 1 lakh							
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh							
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL





Non Resident Indians Overseas Corporate Bodies Foreign Nationals Clearing Members Trusts Foreign Bodies - D R Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+ (B)(2)							
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	200000000	200000000	100%	200000000	200000000	100	No Change

Category-wise Share Holding :

(ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	President of India	199999960	99.99998	Nil	199999960	99.99998	Nil	No Change
	Total	199999960	99.99998	Nil	199999960	99.99998	Nil	No Change

iii) Change in Promoters' Shareholding

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	199999960	99.99998%	199999960	99.99998%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change	No Change	No Change	No Change
3	At the end of the year	199999960	99.99998	199999960	99.99998



**iv) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA	NA	NA	NA
	At the end of the year	NA	NA	NA	NA

v) Shareholding of Directors and Key Managerial Personnel:**Shareholding of Mr. G. Srinivasan (Chairman cum Managing Director)**

SN	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	4	0.000002	4	0.000002
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Change	No Change	No Change	No Change
3	At the end of the year	4	0.000002	4	0.000002

Shareholding of Mr. Hemant G. Rokade (Director and General Manager)

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	4	0.000002	4	0.000002
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Change	No Change	No Change	No Change
3	At the end of the year	4	0.000002	4	0.000002





Shareholding of Ms S.N. Rajeswari (GM, FA & CFO)

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	4	0.000002	4	0.000002
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Change	No Change	No Change	No Change
3	At the end of the year	4	0.000002	4	0.000002

V) INDEBTEDNESS –

The Company has no indebtedness with respect to Secured or Unsecured Loans or Deposits during the Financial Year 2015-16.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					
		G. Srinivasan	P. Nayak	Hemant G. Rokade	T.L. Alamelu		
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2840400.00	326521.00	2240270.00	1041215.00		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	257378.00	119810.00		
	(c) Profits in lieu of salary Under Section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00		
2	Stock Option	0.00	0.00	0.00	0.00		
3	Sweat Equity	0.00	0.00	0.00	0.00		
4	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00		
5	Others, please specify	0.00	0.00	0.00	0.00		
	Total (A)	2840400.00	326521.00	2497648.00	1161025.00		6825594.00





Ceiling as per the Act	As per Section 197 and Section 198 of Companies Act 2013
------------------------	--

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Director	Total Amount

1	Independent Director		
	Fee for attending board committee meetings	0	0
	Commission	0.00	0.00
	Others, please specify	0.00	0.00
	Total (1)	0	0
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission	0.00	0.00
	Others, please specify	0.00	0.00
	Total (2)	0.00	0.00
	Total (B)=(1+2)	0	0
	Total Managerial Remuneration	0	0
	Overall Ceiling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	2840400.00	1439078	1859158	6138636
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		16951.00	222080.77	239031.77
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total	2840400.00	1456029.00	2081238.777	6377667.77

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No Penalties/Punishment/Compounding of Offences in the year 2016-17.





ANNEXURE IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
The New India Assurance Company Limited,
CIN U99999MH1919GOI000526
New India Assurance Bldg,
87 - M G Road,
Fort, Mumbai - 400001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The New India Assurance Company Limited (hereinafter called 'the Company') for the year ended 31st March, 2017. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - **Not applicable to the Company as the securities of the Company are not listed with any Stock Exchange;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder - **Not applicable to the Company as the securities are maintained in physical form;**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Provisions of External Commercial Borrowings are not applicable to the Company;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') – **Not applicable to the Company for the Financial Year 2016-17;**
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;





- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) The management has identified and confirmed the following laws as specifically applicable to the Company:
- a) The Insurance Act, 1938;
 - b) The Insurance Regulatory and Development Authority Act, 1999;
 - c) All the relevant Circulars, Notifications, Regulations and guidelines issued by Insurance Regulatory and Development Authority of India.

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

- (i) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) - **Not Applicable as the securities of the Company are not listed with any Stock Exchange.**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (a) ***The Company has not complied with Section 149 (6) of the Act with regard to appointment of Independent Directors.***
- (b) ***The constitution and terms of reference of the Audit Committee is not in conformity with the provisions of Section 177 of the Act.***
- (c) ***The gap between two meetings of Policyholders Protection Committee was more than the prescribed period as provided in Guidelines for Corporate Governance for Insurers in India dated 18th May, 2016.***
- (d) ***The Policyholders Protection Committee is not headed by a Non-Executive Director as required under Guidelines for Corporate Governance for Insurers in India dated 18th May, 2016.***

We further report that

- the Board of Directors of the Company is duly constituted with Executive, No-Executive and Women Director. The Company has not appointed Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- adequate notice was given to all Directors about the schedule of the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance before the meeting. The Company has obtained consents from the Directors for convening meetings of Board / Committee for which notice and / or agenda were not sent seven days in advance. Any additional information(s) / clarification(s) sought by the Directors on the agenda items before the meetings were provided to them.
- all decisions of the Board and Committee thereof were carried with requisite majority.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules,





regulations and guidelines.

We further report that during the audit period no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. above have taken place.

FOR S. N. ANANTHASUBRAMANIAN & CO.
Company Secretaries

S. N. Ananthasubramanian
Partner
C.P. No.: 1774

Date: 27th April, 2017

Place: Thane





ANNEXURE A

To,
The Members,
The New India Assurance Company Limited,
CIN U99999MH1919GOI000526
New India Assurance Bldg,
87 - M G Road,
Fort, Mumbai – 400001

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

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S. N. ANANTHASUBRAMANIAN & CO.

Company Secretaries

Firm Registration No.P1991MH040400

S. N. Ananthasubramanian

Partner

COP No. : 1774

Date 27th April, 2017.

Place: Thane



**Replies to the observations made by Secretarial Audit Report, dated 27th April 2017 for the year 2016-17.**

- The Directors are appointed by the Government of India. We are awaiting appointment of Independent Directors from Government of India.
- With regard to the constitution and terms of reference of the Audit Committee is not in conformity with the provisions of Section 177 of the Act, the Company would look into the same and do the needful.
- Inadvertently there was a gap between two Policyholders Protection Committee Meeting. Subsequent meetings were held on time. The Company will ensure that in future all the meetings are held within the stipulated time as specified in the IRDAI Corporate Governance guidelines.
- The Company would comply to the same.





ADDENDUM TO DIRECTORS' REPORT DATED 3RD MAY 2017 AS PER SECTION 134(3)(F) OF THE COMPANIES ACT-2013.

RESPONSE TO OBSERVATIONS IN AUDITOR'S REPORT ON STANDALONE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2017.

Para regarding pending reconciliation/ confirmation/consequential adjustments of balances due to/from persons or bodies carrying on insurance business including reinsurers and balances of inter-office accounts, control accounts, few bank accounts, certain loans and other accounts at certain offices.

During the year Company has made significant progress in the reconciliation of coinsurance accounts and is focused to clear majority of the balances during the financial year 2017-18. Reinsurance balances are long standing accounts and are running balances for which confirmations are obtained on regular basis and not as year end exercise. Substantial progress has been made in settlement of reinsurance balances and majority of earlier balances have been adjusted.

Inter office accounts reconciliation is being carried out on continuous basis. All bank accounts have been reconciled and few open items pending are also being attended to. Control accounts are being reconciled on continuous basis.. In our opinion, there is no significant impact on revenue due to these pending items which are being attended to.

For and on Behalf of the Board

G Srinivasan
Chairman cum Managing Director

Date: 3rd May 2017.
Place: Mumbai.





ADDENDUM TO DIRECTORS' REPORT DATED 3RD MAY 2017 AS PER SECTION 134(3)(F) OF THE COMPANIES ACT-2013.

RESPONSE TO OBSERVATIONS IN AUDITOR'S REPORT ON CONSOLIDATED ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2017.

1. Para 1 of Auditor's Report regarding material differences in respect of certain items in the alignment of Subsidiaries accounts maintained in accordance with IFRS and Holding Company accounts maintained as per IAS and Accounting Policies followed.

Accounts of Subsidiary Companies are merged with Holding Company on line by line basis as required by the present regulations. Various liabilities and obligations of subsidiaries carried in their books have been incorporated in consolidated accounts giving true and fair picture of the overall accounts.

2. Para 2 of Auditor's Report regarding consolidated of accounts of subsidiaries and one associate prepared on calendar year basis and non-elimination of intra group balances.

Our subsidiaries and associates are preparing accounts based on local regulatory requirements and as per provisions of AS 21 which permits gap of six months in the subsidiary and holding companies to be consolidated. There are no material changes in the accounts of subsidiaries requiring adjustments during the quarter ending on 31st March 2017.

3. Para 3 regarding pending reconciliation/ confirmation/consequential adjustments of balances due to/from persons or bodies carrying on insurance business including reinsurers and balances of inter-office accounts, control accounts, few bank accounts, certain loans and other accounts at certain offices.

During the year Company has made significant progress in the reconciliation of coinsurance accounts and is focused to clear majority of the balances during the financial year 2017-18. Reinsurance balances are long standing accounts and are running balances for which confirmations are obtained on regular basis and not as year end exercise. Substantial progress has been made in settlement of reinsurance balances and majority of earlier balances have been adjusted. Inter office accounts reconciliation is being carried out on continuous basis. All bank accounts have been reconciled and few open items pending are also being attended to. Control accounts are being reconciled on continuous basis.

4. Para 4 on Overall impact of the above

In our opinion, there is no significant impact on revenue due to these pending items which are being attended to.

For and on Behalf of the Board

G Srinivasan
Chairman cum Managing Director

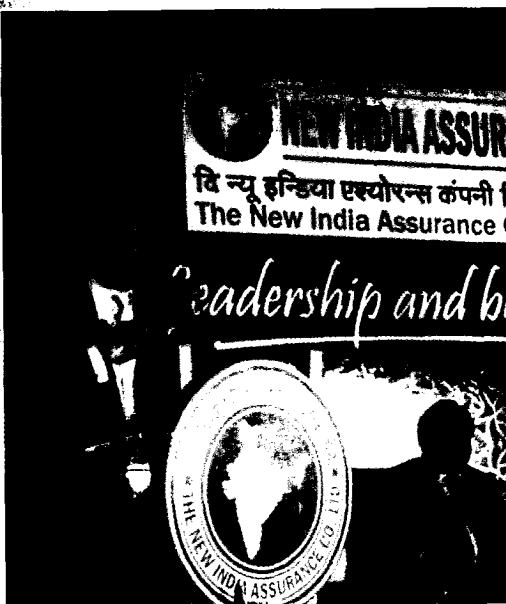
Date: 3rd May 2017.

Place: Mumbai.





NEW INDIA ASSURANCE COMPANY
CELEBRATED IT'S 99th FOUNDATION DAY
ON 10th AUGUST 2017 WHICH WAS
GRACED BY THE CEO OF NITI AAYOG
SHRI AMITABH KANT AS THE CHIEF
GUEST AND KEYNOTE SPEAKER.



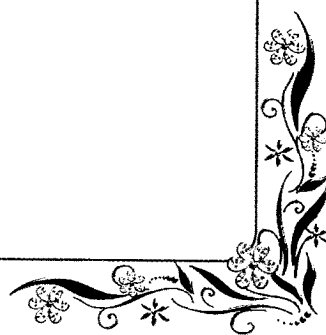
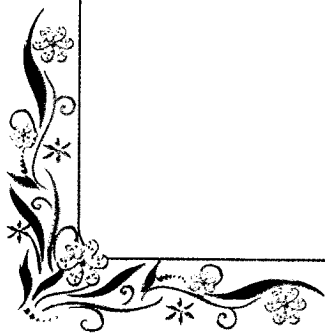
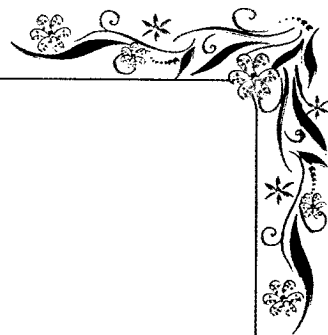
New India Assurance CMD Shri G. Srinivasan Felicitating
Shri Amitabh Kant, CEO Niti Aayog, Govt. of India





STANDALONE REPORTS & SCHEDULES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017







Management Report

1. We confirm that the registration granted by the Insurance Regulatory & Development Authority is valid during the year. The same is renewed for the year 2017-18.
2. We confirm that all known and undisputed dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and transfer of shares during the year are in accordance with the statutory or regulatory requirements.
4. We confirm that the funds of the holders of policies issued in India have not been directly or indirectly invested outside India.
5. We confirm that the required solvency margins have been maintained.
6. We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and to the best of our belief the assets set forth in the Balance Sheet are shown in the aggregate amounts not exceeding their realizable or market value under the several headings- "Loans", "Investments", "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "Other Account".
7. The overall risk exposure for the risks accepted by us is limited to ₹ 200 crores PML per risk except in respect of certain risks in which cases there are exposures of ₹ 500 Crores PML per policy. The same has been approved by the Board. We have made adequate reinsurance arrangements to mitigate the losses arising out of any major claims.
8. We have overseas operations in 28 countries. The foreign branches have their own reinsurance arrangements to protect their exposure. Over and above there is an excess of loss protection available, which takes care of the exposure risk of the Company as a whole, including domestic and foreign branches.

The foreign branches/agencies generate enough revenue in local currencies to meet their liabilities arising out of their operations. Hence there is no major currency risk in the countries we operate.

As regards the country risk, by and large all the countries in which we operate are politically stable. We also have well defined acceptance limits for foreign operations, which limits our exposure in these countries.

9. (a) Ageing of claims indicating the trends in average claims settlement time during the preceding five years is furnished below in the format required:

Age-wise Summary of Claims settled during the year 2012-13, 2013-14, 2014-15, 2015-16 & 2016-17

Age Band	No. of Claims	Amount (₹ In lakhs)
30 DAYS	5999483	1380340.415
30 DAYS to 6 MONTHS	4512531	1674449.456
6 MONTHS TO 1 YEAR	639593	536891.0913
1 YEAR TO 5 YEARS	492245	1017424.478
MORE THAN 5 YEARS	97989	211512.129
GRAND TOTAL	11741841	4820617.57

(Segment Wise Details attached)





- (b) Details of payment to individuals, firms, companies and organizations in which directors are interested is required to be disclosed as per Management Report to be furnished in the following format:

No.	Name	Entity in which he is interested	Interested as	Amount of payments during the financial year (₹. In lakhs)
	NIL	NIL		NIL

10. We certify that the investments have been valued as per the Accounting Regulations of the Insurance Regulatory and Development Authority and shown in the balance sheet.
11. All investment assets are reviewed periodically and assets are classified into performing and non-performing based on IRDA norms.
12. It is hereby confirmed:
- That in preparation of financial statements, the applicable accounting standards, principles and policies have been followed, except amortisation of additional actuarial liability for Gratuity and Pension as per I.R.D.A. circular no. IRDA/F&A/CIR/ACT/077/04/2016 dated 18.04.2016 and IRDA/F&A/LR/001/2016/6 dated 19.4.2016
 - That the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating loss of the Company for the year except as mentioned in Para 12 (i) above.
 - That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 and Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
 - That the management has prepared the financial statements on a going concern basis.
 - That the management has ensured that the internal audit system commensurate with the size and nature of business exists and is operating effectively.

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial
Officer

T. L. Alamelu
Director

Hemant G. Rokade
Director

G. Srinivasan
Chairman-cum-
Managing Director

Place: Mumbai
Date: 3rd May 2017





AGEWISE DEPTT WISE SUMMARY OF CLAIMS SETTLEMENT FOR THE PERIOD 2012-13

Row Labels	30 DAYS		30 DAYS TO 6 MONTHS		6 MONTHS TO 1 YEAR		1 YEAR TO 5 YEARS		MORE THAN 5 YEARS		Grand Total	
	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs
11 Fire	765	4539.87	2393	9497.03	2201	19657.77	1743	56972.38	140	1191.92	7242	91858.96
21 Marine Cargo	7630	3269.19	7561	5772.85	2973	3322.33	2070	3884.04	25	1.98	20259	16250.39
22 Marine Hull	18	656.46	73	7417.81	43	304.40	100	16287.49	18	738.57	252	25404.73
31 Motor OD	115664	16221.52	285705	58860.97	33944	16445.72	12009	6688.99	333	272.40	447655	98489.61
32 Motor TP	8151	6100.67	6980	5825.06	5399	5230.59	20123	28692.60	16546	25589.69	57199	71438.61
33 Decline Risk Pool	18	2.90	15	0.51	0	0.00	0	0.00	0	0.00	33	3.41
34 Health Insurance	150868	40628.31	727639	150372.62	199435	44340.00	70884	-13056.84	80	53.89	1148906	222337.98
36 Liability	539	464.66	1053	1302.30	773	1026.78	698	1344.72	129	151.62	3192	4290.08
38 Motor TP Non Pool	266	76.46	409	63.32	43	29.98	0	0.00	0	0.00	718	169.76
39 TP Pool	5462	2715.24	8804	4629.38	8747	9393.99	22650	42294.51	72	136.14	45735	59169.27
42 Personal Accident	3013	1434.27	7239	4242.49	1499	1826.11	683	1053.36	49	41.82	12483	8598.06
43 Aviation	5	5.07	22	177.03	11	42.85	51	4057.36	9	18.80	98	4301.11
44 Engineering	1708	736.18	7976	3832.17	2446	3526.56	1574	6916.17	23	38.34	13727	15049.42
46 Traditional Business - Miscellaneous	4178	1452.54	4543	1550.81	1562	1889.98	1264	2014.55	33	38.94	11580	6946.82
47 Rural Insurance - Miscellaneous	14050	3419.41	23630	4536.85	5511	1092.36	2288	710.93	205	122.37	45684	9881.93
48 Misc - Non Traditional Business	2109	428.59	4180	1243.15	1430	989.90	834	692.09	80	89.54	8633	3443.27
50 Credit Shield Insurance	2	-52.13	9	124.92	24	301.01	31	133.33	0	0.00	66	507.13
Grand Total	314446	82099.22	1088231	259449.26	266041	109420.34	137002	158685.69	17742	28486.04	1823462	638140.55





AGEWISE DEPTT WISE SUMMARY OF CLAIMS SETTLEMENT FOR THE PERIOD 2013-14

Row Labels	30 DAYS		30 DAYS TO 6 MONTHS		6 MONTHS TO 1 YEAR		1 YEAR TO 5 YEARS		MORE THAN 5 YEARS		Grand Total	
	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs
11 Fire	919	6524.21	3108	13018.82	1753	14714.76	2544	52593.72	175	923.63	8499	87775.14
21 Marine Cargo	7781	4106.04	8839	6425.78	3155	3747.80	7590	4760.16	52	187.12	27417	19226.90
22 Marine Hull	24	406.76	66	73.35	41	164.46	111	1166.26	30	3580.56	272	5391.39
31 Motor OD	153692	25023.11	311400	73983.65	46433	18672.86	15041	8349.55	403	337.33	526969	126366.51
32 Motor TP	6934	5735.59	6563	5813.07	5226	5861.84	17499	28035.21	17365	28418.81	53587	73864.53
33 Decline Risk Pool	243	31.29	348	159.35	194	225.04	26	34.78	3	1.59	814	452.05
34 Health Insurance	559850	137055.49	429881	137156.71	20280	7805.49	49727	117.26	174	76.20	1059912	282211.14
36 Liability	759	799.99	1096	1291.96	586	917.93	727	1180.37	91	101.19	3259	4291.46
38 Motor TP Non Pool	2181	649.84	4093	2562.87	2143	3367.31	421	1005.15	0	0.00	8838	7585.17
39 TP Pool	3528	2633.06	4659	4451.07	6483	8832.25	26974	58303.94	1183	2750.83	42827	76971.15
42 Personal Accident	3514	2533.15	6953	4380.81	1512	1749.10	1400	561.96	45	40.96	13424	9265.97
43 Aviation	2	17.56	11	89.11	10	40.19	97	1069.66	45	-110.95	165	1105.57
44 Engineering	2448	1387.37	7824	4809.06	2339	2560.80	2367	6442.61	69	59.27	15047	15259.11
46 Traditional Business - Miscellaneous	7333	2152.65	6335	1761.55	1331	1953.47	1676	1756.73	41	-8.20	16716	7616.20
47 Rural Insurance - Miscellaneous	15196	3220.38	21393	5388.67	6321	1617.89	4806	430.13	166	170.13	47882	10827.20
48 Misc - Non Traditional Business	2232	636.25	4272	1424.02	1296	1034.18	757	659.51	92	62.33	8649	3816.28
50 Credit Shield Insurance	0	0.00	19	349.28	17	792.37	34	268.45	3	-5.36	73	1404.74
Grand Total	766636	192912.73	816860	263139.14	99120	74057.72	131797	166735.47	19937	36585.46	1834350	733430.51





AGEWISE DEPTT WISE SUMMARY OF CLAIMS SETTLEMENT FOR THE PERIOD 2014-15

Row Labels	30 DAYS		30 DAYS TO 6 MONTHS		6 MONTHS TO 1 YEAR		1 YEAR TO 5 YEARS		MORE THAN 5 YEARS		Grand Total	
	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs
11 Fire	1090	5684.00	3519	32001.90	2109	34149.41	1451	53279.06	143	3044.96	8312	128059.33
21 Marine Cargo	8226	4377.96	7766	8221.98	2358	3500.08	1543	2474.44	52	-0.69	19945	18573.77
22 Marine Hull	28	4807.83	58	281.38	34	163.01	61	4401.02	13	56.98	194	9710.23
31 Motor OD	221436	36890.28	350007	93498.47	24751	17016.47	10665	6955.89	664	438.10	607523	154799.20
32 Motor TP	7435	7839.35	6657	7383.62	4584	6918.38	14418	27433.53	15244	27584.58	48338	77159.46
33 Decline Risk Pool	525	175.82	699	469.49	466	592.20	312	800.85	0	0.00	2002	2038.36
34 Health Insurance	932429	179295.75	373297	155166.32	34769	12616.35	7187	2246.89	147	101.12	1347829	349426.42
36 Liability	994	764.28	1207	1281.57	551	888.90	508	1291.82	89	134.83	3349	4361.39
38 Motor TP Non Pool	3693	1679.76	6817	5672.55	5132	9565.28	4035	11344.30	0	0.00	19677	28261.89
39 TP Pool	2119	2456.11	1769	2345.99	2259	3778.65	20468	52222.59	3009	7800.76	29624	68604.09
42 Personal Accident	3546	2543.61	6826	5049.21	972	1686.85	435	769.24	40	70.03	11819	10118.95
43 Aviation	6	7.96	11	76.32	16	844.63	46	3114.09	16	107.58	95	4150.59
44 Engineering	1825	1520.31	6444	6468.13	3122	3671.34	1222	6237.14	42	164.47	12655	18061.39
46 Traditional Business - Miscellaneous	8269	3634.79	9029	9113.09	1954	3104.88	1141	3133.25	56	153.98	20449	19139.98
47 Rural Insurance - Miscellaneous	15777	3682.47	19220	4479.81	3244	1007.46	1749	954.31	152	179.58	40142	10303.63
48 Misc - Non Traditional Business	2074	2046.11	4739	9528.92	1483	1405.36	669	925.37	66	54.77	9031	13960.52
50 Credit Shield Insurance	0	0.00	19	52.54	10	162.09	43	-4.70	1	-5.70	73	204.23
Grand Total	1209472	257306.37	798084	341091.29	87814	101071.33	65953	177579.08	19734	39885.36	2181057	916933.43





AGEWISE DEPTT WISE SUMMARY OF CLAIMS SETTLEMENT FOR THE PERIOD 2015-16

Row Labels	30 DAYS		30 DAYS TO 6 MONTHS		6 MONTHS TO 1 YEAR		1 YEAR TO 5 YEARS		MORE THAN 5 YEARS		Grand Total	
	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs
11 Fire	937	4164.03	2973	20156.77	1857	25184.45	7156	90785.30	555	3856.51	13478	144147.06
21 Marine Cargo	5920	4025.30	8850	7318.53	2149	3372.81	3416	5535.45	78	334.87	20413	20586.95
22 Marine Hull	16	129.09	59	1663.96	33	263.20	86	22620.32	38	-3540.69	232	21135.87
31 Motor OD	284472	49534.56	418863	122828.63	29771	22699.16	16269	10141.31	1269	659.93	750644	205863.58
32 Motor TP	7162	6599.68	7518	7998.04	5532	9309.85	13529	32108.04	13243	26887.00	46984	82902.60
33 Decline Risk Pool	561	321.33	893	772.53	796	1503.59	914	2923.69	0	0.00	3164	5521.14
34 Health Insurance	830892	294696.39	318166	150847.22	9237	5756.42	4439	11559.58	112	236.52	1162846	463096.12
36 Liability	906	917.12	1212	1368.62	559	994.67	597	2666.35	108	197.60	3382	6144.37
38 Motor TP Non Pool	4591	2590.51	7984	6963.95	6836	13222.04	9256	29352.32	0	0.00	28667	52128.83
39 TP Pool	1186	1808.92	892	1167.85	874	1477.11	13633	40708.79	4564	13509.53	21149	58672.20
42 Personal Accident	4239	3891.77	7387	6807.41	1286	2402.56	753	1281.27	59	92.26	13724	14475.27
43 Aviation	8	20.08	17	80.38	14	1170.56	55	2986.60	59	964.66	153	5222.29
44 Engineering	1821	1810.49	5723	4646.54	1959	5212.28	13531	8136.02	968	106.11	24002	19911.45
46 Traditional Business - Miscellaneous	7927	11087.05	18614	11603.85	3432	3245.83	2185	6489.63	117	203.92	32275	32630.28
47 Rural Insurance - Miscellaneous	13276	3350.97	21523	4872.68	3217	837.98	2249	1031.29	223	105.31	40488	10198.24
48 Misc - Non Traditional Business	2315	619.05	3927	1882.32	1192	1487.67	3337	1093.33	97	94.32	10868	5176.70
50 Credit Shield Insurance	0	0.00	11	204.60	30	265.16	36	379.96	0	0.00	77	849.73
Grand Total	1166229	385566.33	824612	351183.87	68774	98405.35	91441	269799.25	21490	43707.86	2172546	1148662.67



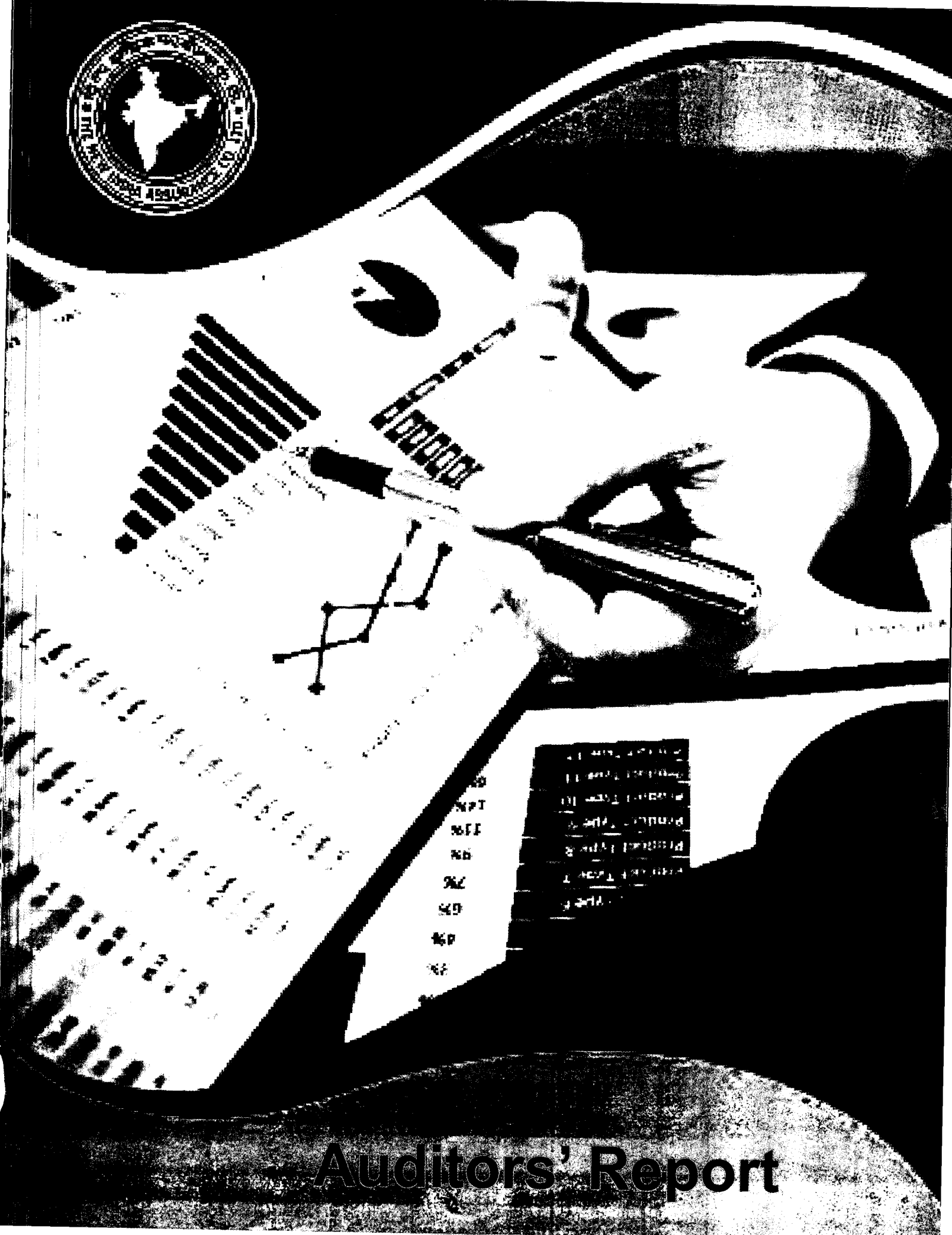


AGEWISE DEPTT WISE SUMMARY OF CLAIMS SETTLEMENT FOR THE PERIOD 2016-17

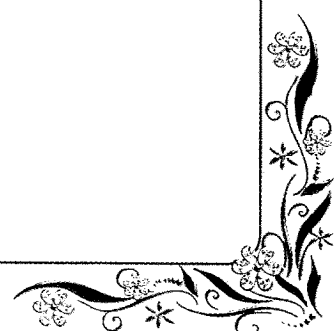
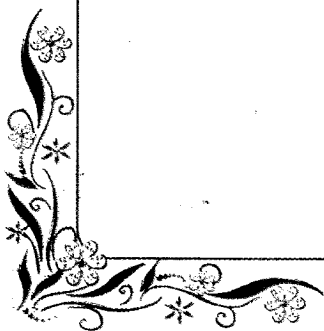
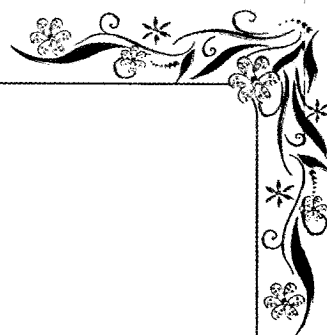
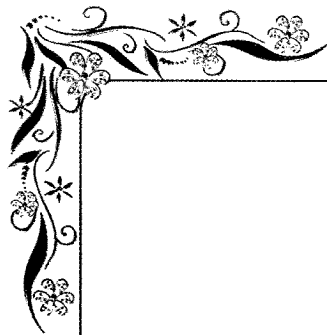
Row Labels	30 DAYS		30 DAYS TO 6 MONTHS		6 MONTHS TO 1 YEAR		1 YEAR TO 5 YEARS		MORE THAN 5 YEARS		Grand Total	
	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs	No. of Claims	Amount in Lakhs
11 Fire	603	8155.47	2616	23843.27	2415	43041.33	1655	52756.40	283	2578.79	7572	130375.25
21 Marine Cargo	7157	3380.34	10899	11901.11	2519	4493.94	1453	6128.61	84	2226.70	22112	28130.69
22 Marine Hull	7	3.30	56	474.60	53	4433.14	93	6982.13	18	4814.77	227	16707.95
31 Motor OD	286597	52144.47	483980	146435.68	34082	28098.58	12624	9842.16	985	524.04	818268	237044.92
32 Motor TP	4264	4278.42	7834	8236.27	6858	12605.33	14052	39541.92	11373	28405.77	44381	93067.71
33 Decline Risk Pool	379	340.67	739	663.27	784	1428.27	1504	4885.19	0	0.00	3406	7317.40
34 Health Insurance	2210088	369841.44	409529	221872.25	46137	22794.02	3861	12578.78	168	79.98	2669783	627166.46
36 Liability	889	922.46	1133	1282.64	674	927.01	741	3533.31	166	249.90	3603	6915.31
38 Motor TP Non Pool	2517	1599.21	8610	8269.98	8534	17704.81	14901	58034.47	0	0.00	34562	85608.47
39 TP Pool	506	753.17	474	688.37	536	1027.97	7940	29630.87	5368	22870.93	14824	54971.30
42 Personal Accident	5371	6529.53	8604	9390.52	1622	3150.19	666	1215.86	58	61.70	16321	20347.82
43 Aviation	3	5.66	14	82.55	15	147.12	43	1632.50	12	217.65	87	2085.47
44 Engineering	1377	793.61	5750	5103.77	2322	5177.09	1051	8452.72	38	41.58	10538	19568.78
46 Traditional Business - Miscellaneous	7961	9910.43	12945	12178.67	5389	5453.30	2700	7574.01	79	390.01	29074	35506.42
47 Rural Insurance - Miscellaneous	12865	3157.77	27705	6999.06	4562	1028.35	2021	750.73	349	295.13	47502	12231.04
48 Misc - Non Traditional Business	2116	639.82	3850	2141.26	1315	1817.33	705	968.21	104	82.28	8090	5648.90
50 Credit Shield Insurance	0	0.00	6	22.63	27	608.56	42	117.14	1	8.18	76	756.51
Grand Total	2542700	462455.77	984744	459585.89	117644	153936.35	66052	244624.99	19086	62847.42	3730426	1383450.42







Auditors' Report





R. Devendra Kumar and Associates
Chartered Accountants
205, Blue Rose Industrial Estate,
Near Petrol Pump,
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Borivali (E), Mumbai-400066

A. Bafna & Co.
Chartered Accountants
A/ 603 Dynasty Business Park, Adjacent to
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Andheri (East) Mumbai-400059

NBS & Co.
Chartered Accountants
14/2, Western India House
Sir. P.M. Road,
Fort
Mumbai – 400 001

INDEPENDENT AUDITORS' REPORT

To

The Members of

The New India Assurance Company Limited

Report on the Standalone Financial Statements:

We have audited the accompanying standalone financial statements of **The New India Assurance Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the annexed Revenue Accounts of Fire, Marine and Miscellaneous Insurance Business (collectively known as 'Revenue Accounts'), Profit and Loss Account and the Receipt and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information, in which are incorporated returns for the year ended on that date:

- (a) From Forty Three Regional offices (including 9 LCO's), Four Hundred and Fifty Seven Divisional offices audited by the other firms of Auditors appointed by the Comptroller and Auditor General of India under section 139 of the Companies Act, 2013; and
- (b) From Nine Foreign Branches, Seven Foreign Agency offices audited by local auditors appointed by the company and unaudited returns of three Run-off offices and One Representative office.

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 Companies Act, 2013, The Insurance Act 1938, and for the Accounting Principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 and orders or direction issued by the Insurance Regulatory and Development Authority ("The Act, Rules and Regulations"), with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of "The Act, Rules and Regulations" 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.





Auditor's Responsibility:

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the "The Act, Rules and Regulations", the accounting and auditing Standards and matters which are required to be included in the audit report under the provisions of the Act, Rules and Regulations made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

Balances due to/from persons or bodies carrying on Insurance Business including reinsurers and balances of Inter Office accounts, control accounts, few Bank accounts, certain loans and other accounts at certain offices are pending for reconciliation/confirmation and consequential adjustments. (Refer Note 16 of Notes to accounts, in schedule 16B, effect of which, if any, is not ascertainable and cannot be commented upon.)

Overall impact of the above and the consequential effects on Revenue Accounts, Profit and Loss Account and Reserve and Surplus as on 31st March 2017 are not ascertainable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements dealt with by this report read together with schedules, significant accounting policies and disclosures, give the information required by the "Act, Rules 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 Non-Life Insurance Companies:

- (i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2017;
- (ii) In case of revenue accounts of the Loss in Fire and Miscellaneous Business and Profit in Marine Business for the year ended on that date;
- (iii) In case of Profit and Loss Account of the Profit for the year ended on that date, and
- (iv) In case of Receipt and Payments Account, of the receipts and payments for the year ended on that date;





Emphasis of Matter

We draw attention to the following Notes to Accounts:

- a) Note No. 3(ii) in Schedule 16 B, regarding recognition of Reserve for Unexpired Risk by 1/365 method as per the approval of IRDAI in case of domestic business while the implementation of systems and procedures to compute the same in case of foreign business in accordance with 1/365 method is pending and systems in case of domestic business are being strengthened.
- b) Note No. 7 in Schedule 16 B regarding pending compliance of Insurance Regulatory and Development Authority (IRDAI) Regulations in respect of segment disclosure of Public and Product liability of Foreign business and netting of provisions in case of Loans.
- c) Note No. 11 in Schedule 16 B, regarding deferment of expenditure relating to additional liability towards pension and gratuity on account of pay revision to the extent of ₹16749.00 lakhs and ₹4349.00 lakhs respectively and pension liability of ₹1036.20 lakhs towards extended pension scheme, pursuant to the deferment permitted by the IRDAI.
- d) The Company's internal control systems specially in area of data input and validation in softwares, including internal audit, requires strengthening

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements of Forty Three Regional offices (including 9 LCO's), Four Hundred and Fifty Seven Divisional offices, Nine Foreign Branches, Seven Foreign Agency offices, Three Run-off offices and one representative office, included in the financial statements of the Company whose financial statements/ financial information reflect total assets of ₹4272031.89 lakhs as at 31st March, 2017 and total revenues of ₹2161088.56 lakhs for the year ended on that date, as considered in the financial statements. The financial statements/information of these offices except in case of Run-off and representative offices which have remained unaudited, have been audited by the other firms of 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 report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Companies Act, 2013 and Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 and orders or direction issued by the Insurance Regulatory and Development Authority, we report that:

- a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of accounts have been maintained by the Company, so far as it appears from our examination of those books and proper returns, both audited and unaudited from Regional offices, Divisional Offices, Branches and other offices, not visited by us, have been received.





- c) The reports of the Regional Auditors consolidating the Divisional Auditors report, Reports of foreign branches and foreign agency offices, 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 in the manner considered necessary by us.
- d) The Balance Sheet, Revenue Account, Profit and Loss Account and the Receipts and Payments Account dealt with by the report are in agreement with the books of accounts and with the returns received from offices not visited by us.
- e) In our opinion, the aforesaid Standalone Financial Statements have been prepared in accordance with the requirements of the Insurance Act, 1938 (4 of 1938), the Insurance Regulatory and Development Act, 1999 (41 of 1999) and the Companies Act, 2013 to the extent applicable and in the manner so required.
- f) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- g) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may not have an adverse effect on the functioning of the Company;
- h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- i) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164(2) of the Act.
- j) The accounting policies adopted by the company are appropriate and in compliance 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 Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 and orders or directions issued by the Insurance Regulatory and Development Authority.
- k) The actuarial valuation of liability in respect of Claims Incurred But Not Reported (IBNR) and those Incurred but Not Enough Reported (IBNER) as at 31st March 2017, have been duly certified by the Company's Appointed Actuary and relied upon by us. The Appointed Actuary has also certified that the assumptions considered by him for such valuations are in accordance with guidelines and norms prescribed by the Insurance Regulatory and Development Authority of India (IRDAI) and the Actuarial Society of India in concurrence with the IRDAI.
- l) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the investments have been valued in accordance with the provisions of the Insurance Act, the regulations and orders/directions issued by IRDAI in this regard.
- m) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Schedule 16 C to the standalone financial statements;
 - ii) The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts. There are no outstanding derivative contracts at the Balance Sheet date.





- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- n) Further 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:
 - i) We have reviewed the management report attached with the Financial Statements and there are no apparent mistakes or material inconsistencies between the management report and the standalone financial statements;
 - ii) Based on the management representation by officer of the company charged with compliance, nothing has come to our attention which causes us to believe that the company has not complied with the terms and conditions of registration as stipulated by IRDAI; and
 - iii) 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 (4 of 1938) relating to the application and investments of the policyholders' funds.
- o) The disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30th March 2017 is not applicable to the Company - Refer Note No.22;
- p) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".

As required under section 143(5) of the Companies Act, 2013, based on our audit as aforesaid, we enclose herewith, as per "**Annexure B**", the directions including sub-directions issued by the Comptroller & Auditor General of India, action taken thereon and the financial impact on the accounts and financial statements of the Company

For R. Devendra Kumar & Associates
Chartered Accountants
Firm Reg. No. 114207 W

Neeraj Golas
Partner
Membership No. 74392

For A. Bafna & Co.
Chartered Accountants
Firm Reg. No. 003660C

Mukesh Kumar Gupta
Partner
Membership No. 073515

For NBS & Co
Chartered Accountants
Firm Reg. No. 110100W

Pradeep J Shetty
Partner
Membership No. 046940

Place: Mumbai
Date: 3rd May, 2017



**"ANNEXURE A" REFERRED TO IN THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF THE NEW INDIA ASSURANCE CO. LTD. FOR THE FINANCIAL YEAR 2016-17****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

1. We have audited the internal financial controls over financial reporting of **THE NEW INDIA ASSURANCE CO. LTD.** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. These financial statements incorporated returns received:
 - a) From Forty Three Regional offices (including 9 LCO's), Four Hundred and Fifty Seven Divisional offices audited by the other firms of Auditors appointed by the Comptroller and Auditor General of India under Section 139 of the Companies Act, 2013; and
 - b) From Nine Foreign Branches, Seven Foreign Agency offices audited by local auditors appointed by the company and unaudited returns of Three Run-Off offices and One representative office.

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 issued by The Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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 (The "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. Report of branch auditors relating to London Branch has not been received and as such was not available for our review and therefore the internal controls over financial reporting relating to the office have not been considered in this report and cannot be commented upon.





6. Except for the possible effect of non availability of report as stated in note No.5, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

8. 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.

Qualified Opinion

9. According to the information and explanation given to us and based on our audit, the following internal control weaknesses of material nature have been identified as at March 31,2017:
 - a. Confirmation and reconciliation of various balances relating to co insurers, reinsurers, few bank accounts, inter office accounts and other control accounts are pending and are at various stages.
 - b. Inadequate controls are observed with regard to ageing of insurance receivables.

The Company's internal control systems specially in area of data input and validation in various softwares and recording of intimated claims at the offices of the company including internal audit require strengthening.

Further to above, the management of the company has appointed external consultant to assess the internal financial control framework in the company. Though the interim report submitted by the consultants in case of certain processes does not identify any serious issues, the final report is still awaited. Review of design and testing of the risk control matrix at Regional level/ HO level, review and testing of entity level controls and final report is yet to be received.

10. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's financial statement will not be prevented or detected on a timely basis.
11. In our opinion, except for the possible effects of the internal control weaknesses described above on the achievements of the objectives of the control criterion, the company has maintained, in all material respects, adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31,2017, 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".

12. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the Standalone financial statements of the Company except to the extent of our qualification as contained in our separate report on the Standalone financial statements of the company.

For R. Devendra Kumar & Associates

Chartered Accountants
Firm Reg. No. 114207 W

Neeraj Golas

Partner
Membership No. 74392

For A. Bafna & Co.

Chartered Accountants
Firm Reg. No. 003660C

Mukesh Kumar Gupta

Partner
Membership No. 073515

For NBS & Co

Chartered Accountants
Firm Reg. No. 110100W

Pradeep J Shetty

Partner
Membership No. 046940

Place: Mumbai

Date: 3rd May, 2017





ANNEXURE “B” Referred to in Para (q) in Report on Other Legal and Regulatory Matters referred to in our Statutory Audit Report of even date for the Year 2016-17 on the accounts of New India Assurance Company Limited.

Sr. No.	Directions under section 143(5) of Companies Act 2013	Action taken and financial impact
1.	Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?	<p>The Company has clear title/lease deeds for freehold and leasehold properties except as under:</p> <p>LAND:</p> <p>1. Leasehold land:</p> <p>[i] One leasehold land book value ₹1.00 is under litigation and SLP is pending with Supreme Court.</p> <p>[ii] 2 leasehold lands book value of ₹118.44 lakh where lease deed has expired.</p> <p>[iii] 1 leasehold land consisting of 123 tenements and 6 godowns, book value ₹3.42 lakh and lease period 999 years, which is not in possession of the Company.</p> <p>[iv] 1 open plot not registered in the name of the company.</p> <p>2. Freehold Land:</p> <p>4 properties book value ₹124.97 lakh where conveyance deeds are not available.</p> <p>BUILDINGS:</p> <p>1. 74 properties, book value ₹2066.95 lakh where title deeds are not presently available/ registration formalities are yet to be completed.</p> <p>2. In case of certain title documents of properties, only photo copies are made available for our verification and as explained by the management originals for the same are available at ROs/DOs.</p> <p>3. 29 properties book value ₹163.61 lakh which are not registered in the name of the Company</p> <p>Further, cost as per title deeds is being reconciled with the asset register. Necessary reconciliation is under process.</p>
2.	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and amount involved.	<p>According to the records and information provided to us, during the year, an amount of ₹12.60 lakhs towards principal and ₹10.27 lakhs towards interest has been waived off in debentures (OCCD) as per one time settlement approved by the Board.</p> <p>The company has written off/down investment in equity/ venture funds to the extent of ₹664.26 lakhs towards impairment and booked loss in Mutual Funds to the extent of ₹317.52 Lakhs on account of redemption</p>
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities?	The Direction is not applicable.





Sub – directions issued by the C&AG of India as applicable to the New India Assurance Company Limited, for the year 2016-17.

- 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.**

The Central Government/State Government securities balances are tallied as per books of accounts. In case of bonds/debentures/equities/preference shares, there are 9 nos. of scrips of bonds/debentures having face value of ₹66.33 lakhs, 2 scrips of preference shares having face value of ₹0.26 lakhs, and 9 scrips of equity shares having book value of ₹8.36 lakhs, which are in shortage as per the records of custodian vis a vis books of accounts of the Company. There are 104 no. of scrip in equity having market value of ₹418.30 lakhs and one scrip in preference share having face value of ₹0.04 lakhs which are in excess quantity as per custodian records vis a vis books of accounts of the company. The Company is in the process of taking adequate steps for reconciliation and adjustments wherever required.

The dividend received on such excess shares is shown as liability and taken to income after three years.

- 2. Whether 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? (for OICL, NIAC, NIC and UIIC)**

The Company has initiated various levels of meetings with other PSU Companies for reconciliation and settlement of co-insurance balances. During the year, the company has settled the receivable balances of ₹106596 lakhs and payable balances of ₹110899 lakhs. As on March 31, 2017, there is a net Dr balance of ₹35695 lakhs with Pradhan Mantri Fasal Bima Yojna (PMFBY) comprising ₹131597 lakhs (Dr) and ₹95902 lakhs (Cr); and net debit balance of ₹14539 lakhs, with other than PMFBY comprising ₹83121 lakhs (Dr) and ₹68582 Lakhs (Cr.).

The balance appearing in the amount due to/ due from persons or bodies carrying on insurance business including reinsurance business are subject to confirmation/ reconciliation and consequential adjustments if any. In case of co-insurance balances, the reconciliation and settlement process to clear balances is in progress

- 3. During recent de-monetization drive of Government of India (GOI), insurance companies were Required to give a discount or credit in case payment was made through digital means. Financial Impact of above initiative may be reported.**

In line with the initiative of the Government of India, the Company is allowing a digital discount of 10% for new policies procured in our Customer portal where no intermediaries are allowed, subject to a maximum discount of ₹2000/-. The total digital discount allowed till 31st March 2017 is ₹12,68,171. It is observed that discount is given more than ₹2000 in 14 cases amounting to ₹4280.





4. In case the Company is taking part in Pradhan Mantri Fasal Bima Yojana (PMFBY) it may stated whether method of accounting of premium and reported claims are as per conditions of the agreement and agreement/schemes.

The Company is taking part in the Pradhan Mantri Fasal Bima Yojana. The Company has accounted for the farmers premium, as well as State/Central Government subsidy accordingly along with incidental expenses. During the year company has accounted for the Gross Direct Premium income of ₹104641.70 lakhs.

In respect of PMFBY claims, as claims details are yet to be notified, the Company has considered the claims on estimated basis as per the actuarial valuation.

Method of accounting of premium and claims are as per the conditions of the agreement/schemes.

For R. Devendra Kumar & Associates

Chartered Accountants
Firm Reg. No. 114207 W

Neeraj Golas

Partner
Membership No. 74392

Place: Mumbai
Date: 3rd May, 2017

For A. Bafna & Co.

Chartered Accountants
Firm Reg. No. 003660C

Mukesh Kumar Gupta

Partner
Membership No. 073515

For NBS & Co

Chartered Accountants
Firm Reg. No. 110100W

Pradeep J Shetty

Partner
Membership No. 046940



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE NEW INDIA ASSURANCE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2017**

The preparation of financial statements of The New India Assurance Company Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 03 May 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of The New India Assurance Company Limited for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller and Auditor General of India

(Roop Rashi)
Principal Director of Commercial Audit and
ex-officio Member, Audit Board-I, Mumbai

Place : Mumbai
Date : 19 July 2017





Certificate for the year ended 31st March, 2017 as required by Schedule 'C' of Insurance Regulatory & Development Authority Regulations, 2002 for Preparation of Financial Statements and Auditor's Report of Insurance Companies in case of The New India Assurance Company Limited.

We certify that:

- 1 (a) We have verified Cash balances, to the extent considered necessary, and securities related to the Company's Loans and Investments, subject to paragraph (b) herein mentioned below, on following basis:

Sr. No.	Asset	Nature of Verification
i)	Cash	Physical verification, Management Certificate and Regional / Branch Auditor's reports.
ii)	Investments	Custodians' Certificate (RBI, CCIL & SHCIL) and Management's Certificate.
iii)	Securities relating to loan	Management's Certificate.

- (b) i) No confirmations were available from custodian in respect of following:
- Investment in equity shares having book value of ₹ 3.10 lakhs are under objection.
 - Equity shares having book value amounting to ₹ 8.36 lakhs, Debentures/Bonds having face value ₹ 66.33 lakhs and preference Shares having face value of ₹ 26000 for which no evidence of ownership was available.
- ii) The number of equity shares, Preference shares, other Approved Securities and Debentures / Bonds actually held by Stock Holding Corporation of India Ltd. (Custodian) on behalf of the Company are in excess of the number of equity shares, Preference shares and Debentures/ Bonds held as per the books of the Company. The value of such excess as on 31.03.2017 is ₹ 418.34 lakhs
(for listed equity shares market value is considered, for unlisted equity shares/preference shares, face value is considered).
- iii) Investment in Term Loans, Loans to State Government for the purpose of Housing & Fire Fighting Equipments, Investments in Pass Through Certificates (PTC) and Balances on account of restructuring/rescheduling of debts are subject to confirmations/ reconciliations.
- iv) No confirmations were available in respect of foreign investments amounting to ₹ 6.07 lakhs.
- 2 To the best of our information and explanations given to us, the Company has not undertaken any trust as trustee.
- 3 No part of the assets of Policyholders' funds has been directly or indirectly applied in contravention of the provision of the Insurance Act, 1938 relating to the application and Investments of the Policy Holders' funds.

For R. Devendra Kumar & Associates
Chartered Accountants
Firm Reg. No. 114207 W

Neeraj Golas
Partner
Membership No. 74392

For A. Bafna & Co.
Chartered Accountants
Firm Reg. No. 003660C

Mukesh Kumar Gupta
Partner
Membership No. 073515

For NBS & Co
Chartered Accountants
Firm Reg. No. 110100W

Pradeep J Shetty
Partner
Membership No. 046940

Place: Mumbai
Date: 3rd May, 2017



**Fire Insurance Revenue Account for the year ended 31st March, 2017**

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1. Premium Earned (Net)	1	19186871	20732570
2. Profit on Sale or Redemption of Investments (Policy Holders)	-	1873968	1508234
Loss on Sale or Redemption of Investments (Policy Holders)		0	0
3. Others		0	0
4. Interest, Dividend and Rent (Gross)	-	2567532	2700401
Total (A)		23628371	24941205
1. Claims Incurred (Net)	2	19593687	14719653
2. Commission	3	3406043	3815560
3. Operating Expenses Related to Insurance Business	4	4082754	6302911
4. Premium Deficiency		0	0
5. Others - Foreign Taxes		3985	2968
Amortisation, Write off, Provisions - Investments		7985	3222
Total (B)		27094454	24844314
Operating Profit/ (Loss) C=(A-B)		(3466083)	96891
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)	-	3466083	(96891)
Transfer to Catastrophic Reserves	-	0	0
Transfer to Other Reserves	-	0	0
Total		0	0

Significant Accounting Policies and Notes to Accounts 16

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of accounts, all expenses of management, wherever incurred, whether directly or indirectly in respect of fire insurance business have been fully debited in the Fire Insurance Revenue Account as expenses.

The schedules referred to above form integral part of the revenue account

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017





Marine Insurance Revenue Account for the year ended 31st March, 2017

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1. Premium Earned (Net)	1	4620266	4729982
2. Profit on Sale or Redemption of Investments (Policy Holders)	-	398501	347134
Loss on Sale or Redemption of Investments (Policy Holders)		0	0
3. Others			
4. Interest, Dividend and Rent (Gross)	-	545988	621522
Total (A)		5564755	5698638
1. Claims Incurred (Net)	2	3493418	2724402
2. Commission	3	453866	480025
3. Operating Expenses Related to Insurance Business	4	742925	1016393
4. Premium Deficiency		0	0
5. Others - Foreign Taxes		0	0
Amortisation, Write off, Provisions - Investments		1698	742
Total (B)		4691907	4221562
Operating Profit/ (Loss) C=(A-B)		872848	1477076
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)	-	(872848)	(1477076)
Transfer to Catastrophic Reserves	-	0	0
Transfer to Other Reserves	-	0	0
Total		0	0
Significant Accounting Policies and Notes to Accounts	16		

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of marine insurance business have been fully debited in the Marine Insurance Revenue Account as expenses.

The schedules referred to above form integral part of the revenue account

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017



**Miscellaneous Insurance Revenue Account for the year ended 31st March, 2017**

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1. Premium Earned (Net)	1	154340668	124135708
2. Profit on Sale or Redemption of Investments (Policy Holders)	-	10367266	7705369
Loss on Sale or Redemption of Investments (Policy Holders)		0	0
3. Others			
4. Interest, Dividend and Rent (Gross)	-	14204235	13795997
Total (A)		178912169	145637074
1. Claims Incurred (Net)	2	139482182	113967808
2. Commission	3	9371475	9741871
3. Operating Expenses Related to Insurance Business	4	32988987	27833532
4. Premium Deficiency		0	0
5. Others - Foreign Taxes		1636	2134
Amortisation, Write off, Provisions - Investments		44176	16462
Total (B)		181888456	151561807
Operating Profit/ (Loss) C=(A-B)		(2976287)	(5924733)
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)	-	2976287	5924733
Transfer to Catastrophic Reserves	-	0	0
Transfer to Other Reserves	-	0	0
Total		0	0

Significant Accounting Policies and Notes to Accounts 16

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of miscellaneous insurance business have been fully debited in the Miscellaneous Insurance Revenue Account as expenses.

The schedules referred to above form integral part of the revenue account

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
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Neeraj Golas
Partner
Membership Number 074392

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017



Profit and Loss



**Balance Sheet as at 31st March, 2017**

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
A. Sources of Funds			
1. Share Capital	5 & 5A	2000000	2000000
2. Reserves and Surplus	6	119701630	111737193
3. Fair Value Change Account - Shareholders	-	79813255	67607341
Fair Value Change Account - Policyholders	-	157115598	123125416
4. Borrowings	7	0	0
Total A		358630483	304469950
B. Application of Funds			
1. Investments	8 & 8A	514302038	445457175
2. Loans	9	3089395	3288489
3. Fixed Assets	10	3641124	2608052
4. Deferred Tax Assets		2245810	2189300
5. Current Assets			
a. Cash and Bank Balances	11	80191755	70827441
b. Advances and Other Assets	12	88257984	104430200
Sub Total(a+b)		168449739	175257641
c. Current Liabilities	13	237335207	235647939
d. Provisions	14	97975816	93040528
Sub Total(c+d)		335311023	328688468
Net Current Assets (a+b-c-d)		(166861284)	(153430826)
6. Miscellaneous Expenditure (to the extent not written off or adjusted)	15	2213400	4357760
Total B		358630483	304469950
Significant Accounting Policies and Notes to Accounts	16		

The schedules referred to above form integral part of the Balance Sheet

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017





Schedules to Fire Insurance Revenue Account for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Fire		
Premium Earned(Net)		
Premium From Direct Business - in India	18242822	16918362
- outside India	7272521	8576837
Total	25515343	25495199
Add: Premium on Reinsurance Accepted	9288625	8268652
Less: Premium on Reinsurance Ceded	14731827	12381927
Net Premium	20072141	21381924
Adjustment for Change in Reserve for Un-Expired Risks	885270	649354
Total Premium Earned (Net)	19186871	20732570
Schedule 2 - Fire		
Claims Incurred (Net)		
Claims Paid Direct	17248777	18060723
Add: Claims on Reinsurance Accepted	5879393	5308497
Less: Claims on Reinsurance Ceded	6403918	9326603
Net Claims Paid	16724252	14042617
Add: Claims Outstanding at End (Net)	27480750	25393000
Less : Claims Outstanding at Beginning (Net)	25393000	24545345
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	781685	(170619)
Total Incurred Claims (Net)	19593687	14719653
Schedule 3- Fire		
Commission (Net)		
Commission - Direct	3245925	3826358
Add : Commission on Reinsurance Accepted	1555311	1373027
Less : Commission on Reinsurance Ceded	1395193	1383825
Commission (Net)	3406043	3815560
Break-up of Commission Direct		
Direct Commission	2642038	3316880
Direct Brokerage	533122	439155
Direct Corporate Agency Commission	70765	70323
Others - Other Channels	0	0
Total Commission	3245925	3826358



**Schedules to Marine Insurance Revenue Account for the year ended 31st March, 2017**

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Marine		
Premium Earned(Net)		
Premium From Direct Business - in India	6100259	6175331
- outside India	540544	572500
Total	6640803	6747831
Add: Premium on Reinsurance Accepted	360409	511743
Less: Premium on Reinsurance Ceded	3348750	3120685
Net Premium	3652462	4138889
Adjustment for Change in Reserve for Un-expired Risks	(967804)	(591093)
Total Premium Earned (Net)	4620266	4729982
Schedule 2 - Marine		
Claims Incurred (Net)		
Claims Paid Direct	4203888	4655653
Add: Claims on Reinsurance Accepted	404976	564028
Less: Claims on Reinsurance Ceded	993869	2712793
Net Claims Paid	3614995	2506888
Add: Claims Outstanding at End (Net)	4914244	5041145
Less : Claims Outstanding at Beginning (Net)	5041145	4805068
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	5324	(18563)
Total Incurred Claims (Net)	3493418	2724402
Schedule 3- Marine		
Commission (Net)		
Commission - Direct	640540	511753
Add : Commission on Reinsurance Accepted	51886	84226
Less : Commission on Reinsurance Ceded	238560	115954
Commission (Net)	453866	480025
Break-up of Commission Direct		
Direct Commission	369575	296942
Direct Brokerage	270508	214233
Direct Corporate Agency Commission	457	578
Others - Other Channels	0	0
Total Commission	640540	511753





Schedules to Miscellaneous Insurance Revenue Account for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Miscellaneous		
Premium Earned(Net)		
Premium From Direct Business - in India	166803842	128401394
- outside India	17019175	16988676
Total	183823017	145390070
Add: Premium on Reinsurance Accepted	4579012	3710443
Less: Premium on Reinsurance Ceded	26217466	15502228
Net Premium	162184563	133598285
Adjustment for Change in Reserve for Un-expired Risks	7843895	9462577
Total Premium Earned (Net)	154340668	124135708
Schedule 2 - Miscellaneous		
Claims Incurred (Net)		
Claims Paid Direct	132645141	108260493
Add: Claims on Reinsurance Accepted	2709916	4601271
Less: Claims on Reinsurance Ceded	10355005	10921453
Net Claims Paid	125000052	101940311
Add: Claims Outstanding at End (Net)	146725785	132826443
Less : Claims Outstanding at Beginning (Net)	132826443	120534150
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	582788	(264796)
Total Incurred Claims (Net)	139482182	113967808
Schedule 3- Miscellaneous		
Commission (Net)		
Commission - Direct	11300816	10772557
Add : Commission on Reinsurance Accepted	503513	411894
Less : Commission on Reinsurance Ceded	2432854	1442580
Commission (Net)	9371475	9741871
Break-up of Commission Direct		
Direct Commission	8457928	8335883
Direct Brokerage	2534910	2208677
Direct Corporate Agency Commission	214367	198125
Others - Other Channels	93611	29872
Total Commission	11300816	10772557



**Schedules for the year ended 31st March, 2017**

Particulars	Current year	Previous year
	₹ (000)	₹ (000)
Schedule - 4		
Operating Expenses Related To Insurance Business		
1. Employees Remuneration And Welfare Benefits	22154897	24268359
2. Travel Conveyance And Vehicle Running Expenses	611968	633761
3. Training Expenses	146172	188640
4. Rent Rates And Taxes	1131303	958677
5. Repairs And Maintenance	931935	1050352
6. Printing And Stationery	391502	393424
7. Communication Expenses	284114	361501
8. Legal And Professional Charges	535846	514791
9. Auditors Fees, Expenses Etc. As Auditor	92308	79471
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Taxation	0	0
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Insurance	0	0
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Mgt Services	0	0
Auditors Fees, Expenses Etc. In Other Capacity	0	0
10. Advertisement And Publicity	604507	351597
11. Interest And Bank Charges	52542	34462
12. Others - Exchange (Gain) / Loss	370344	(864198)
IT Implementation	1079473	449175
Outsourcing Expenses	4378170	3683475
Other Taxes	138619	125920
Incentives to Agents	1979829	1032193
Others	1813297	1349777
13. Depreciation	448777	318034
14. Service Tax Account	669063	223426
Total	<u>37814666</u>	<u>35152836</u>
Apportioned to Fire Segment	4082754	6302911
Apportioned to Marine Segment	742925	1016393
Apportioned to Miscellaneous Segment	32988987	27833532
Total	<u><u>37814666</u></u>	<u><u>35152836</u></u>





Schedules for the year ended 31st March, 2017

Particulars	Current year	Previous year
	₹ (000)	₹ (000)
Schedule - 5		
Share Capital		
1. Authorised Capital		
30,00,00,000 (Previous Year 30,00,00,000) Equity Shares of ₹ 10 each	3000000	3000000
2. Issued Capital		
20,00,00,000 (Previous Year 20,00,00,000) Equity Shares of ₹ 10 each	2000000	2000000
3. Subscribed Capital		
20,00,00,000 (Previous Year 20,00,00,000) Equity Shares of ₹ 10 each	2000000	2000000
4. Called up Capital		
20,00,00,000 (Previous Year 20,00,00,000) Equity Shares of ₹ 10 each	2000000	2000000
Total	2000000	2000000

Note: Of the above 19,61,49,366 shares are issued as fully paid up bonus shares by capitalisation of general reserves.

SCHEDULE 5A

Pattern of Shareholding

(As Certified by Management)

Numbers in (000)

Share holder		Current Year		Previous Year	
		Numbers	% of Holding	Numbers	% of Holding
Promoters	Indian	200000	100	200000	100
	Foreign	-	-	-	-
Others		-	-	-	-
Total		200000	100	200000	100



**Schedules for the year ended 31st March, 2017**

Particulars		Current year ₹ (000)	Previous year ₹ (000)
Schedule 6			
Reserves and Surplus			
1. Capital Reserve	(Op. Balance)	575	575
Addition During The Year		0	0
Deduction During The Year		0	0
	(Cl. Balance)	575	575
2. Capital Redemption Reserve			
3. Share Premium			
4. General Reserves	(Op. Balance)	98515561	93485591
Addition during the year - Balance Transferred From P & L Account		10197864	5277980
Deferred tax due to Depreciation		0	321
Deduction during the year -			
Transfer to P & L Account for Equalization / Contingency Reserves for Foreign Branches		0	(248331)
	(Cl. Balance)	108713425	98515561
5. Catastrophe Reserve		0	0
6. Other Reserves			
A. Foreign Currency Translation Reserve	(Op. Balance)	11160112	9274191
Addition During The Year (Refer Note No 17 To Notes To Accounts In Schedule 16 B)		0	1885921
Deduction During The Year		(1904708)	0
	(Cl. Balance)	9255404	11160112
B. Equalization / Contingency Reserves for Foreign Branches	(Op. Balance)	2060945	1736148
Addition During The Year		0	324797
Deduction During the Year		(328719)	0
	(Cl. Balance)	1732226	2060945
7. Balance Of Profit In Profit And Loss Account		0	0
Total		119701630	111737193

Schedule 7**Borrowings**

1. Debentures / Bonds	-	-
2. Banks	-	-
3. Financial Institutions	-	-
4. Others	-	-
Total	Nil	Nil





Schedules for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 8 - Investments Shareholders Fund		
Long term investments		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	43570419	41057082
2. Other Approved Securities	0	0
3. Other Investments		
(a) Shares		
aa Equity	91107181	83985866
bb Preference	656	1163
(b) Mutual funds/ ETF	335099	183591
(c) Derivative Instruments	0	0
(d) Debentures/Bonds	8438124	7897665
(e) Other securities - Foreign shares	61546	78320
(f) Subsidiaries	470767	704980
(g) Investment Properties (Real Estate)	0	0
4. Investment in Infrastructure, Housing and Social Sector	16963365	17369384
5. Other than Approved Investments (Debentures, Pref.shares, Foreign Shares, Venture Funds and Equity)	7105608	1814329
Total	168052764	153092380
Short Term Investments		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	2704552	3820331
2. Other Approved Securities	0	0
3. Other Investments		
(a) Shares		
aa Equity	0	0
bb Preference	0	0
(b) Mutual funds/ ETF	0	0
(c) Derivative Instruments	0	0
(d) Debentures/Bonds	1855324	729224
(e) Other Securities	0	0
(f) Subsidiaries	0	0
(g) Investment Properties (Real Estate)	0	0
4. Investment in infrastructure and Social Sector	3592811	3155544
5. Other than Approved Investments (Debentures, Pref.shares, Foreign Shares, Venture Funds and Equity)	2012	0
Total	8154699	7705100
Grand Total	176207463	160797480
Investments		
1. In India	171710985	440964426
2. Outside India	4496478	4492749
Investment in foreign associates included in equity above	30136	30136
Aggregate amount of Companies Investments in other than listed equity shares Book Value	749587	1044629
Market value	725309	987798
Preference shares and FITL preference shares (LTUA) amounting to ₹84320 (P.Y. ₹84498) is netted against interest suspense of an equal amount. Debentures and FITL debentures amounting to ₹43101 (P.Y. ₹45115) are netted against interest suspense of an equal amount. Equity shares amounting to ₹276 (P.Y. ₹276) is netted against interest suspense of an equal amount.		
Provision made for bad and doubtful debts shown under Schedule 14.5 against assets in Schedule 8		
Debentures - Standard Provisions	130412	101061
Housing sector bonds - Standard Provisions	93696	90388
Infrastructure investments - Standard Provisions	146671	141276
Other than approved investments (Debenture)	456547	468882
Equity - foreign share - diminution in value others	0	315
Equity - Thinly traded and unlisted equity - diminution in value	47935	71384
Equity - Thinly traded - foreign (Honkong)	0	18
Equity - Long term unapproved thinly traded and unlisted equity - diminution in value (F)6034/12	14017	21993
Equity subsidiary - Long term unapproved thinly traded and unlisted equity - diminution in value (F)6039/12	1535	1535
Total	890813	896852



**Schedules for the year ended 31st March, 2017**

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 8-A		
Investments - Policyholders Fund		
Long term investments		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	79139754	69102477
2. Other Approved Securities	0	0
3. Other Investments		
(a) Shares		
i) Equity	179348145	152166124
ii) Preference	1291	2118
(b) Mutual funds/ ETF	659656	334352
(c) Debentures/Bonds	16455263	14085145
(d) Investment Properties Real Estate	0	0
(e) Other securities - (Other than Approved)	13044546	3304228
4. Investment in Infrastructure and Housing	33393066	31632846
Total	322041722	270627290
Short Term Investments		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	5324020	6957527
2. Other Approved Securities	0	0
3. Other Investments		
(a) Shares		
i) Equity	0	0
ii) Preference	0	0
(b) Mutual funds/ ETF	0	0
(c) Debentures/Bonds	3652279	1328052
(d) Other Securities (Other than Approved)	3961	0
4. Investment in infrastructure and Housing	7072593	5746826
Total	16052853	14032405
Grand Total	338094575	284659695





Schedules for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 9		
Loans		
1. Security-Wise Classification		
Secured		
a. On Mortgage Of Property		
aa. In India		
Loan Against Mortgage Of Property	0	0
Housing, Vehicle And Computer Loans To Employees	1883444	1781497
Direct Term Loans	183239	638123
bb. Outside India Housing, Vehicle Loan To Employees	482	881
b. On Shares, Bonds, Government Securities		
c. Others		
Loans to Subsidiaries	26862	43493
Loans To State Government Housing, FFE Loans	571689	676975
Unsecured (Term Loans, Bridge Loans, Short-Term Loans, Term Loans PFPS)	423679	147520
Total	3089395	3288489
2. Borrower-Wise Classification		
a. Central And State Governments(Term Loans, Housing and FFE)	571689	676975
b. Banks And Financial Institutions		
c. Subsidiaries	26862	43493
d. Industrial Undertakings (Term Loans, Bridge Loans, Short-Term Loans, Loans To PFPS)	578144	755138
e. Others - Housing Loans, Vehicle Loans, Computer Loans To Employees	1883927	1782378
Term Loans and PFPS	28774	30505
Total	3089395	3288489
3. Performance-wise Classification		
a. Loans Classified as Standard		
aa. In India: Term Loans, Bridge Loans, State Government Housing And FFE, PFPS	552183	785247
Housing, Vehicle And Computer Loans To Employees	1883444	1781497
bb. Outside India (Loans To Employees)	482	881
Loans to Subsidiaries	26862	43493
b. Non-Performing Loans less Provisions		
aa. In India (Term Loans, Bridge Loans, Short-Term Loans, Loans PFPS)	626423	677371
bb. Outside India	0	0
Total	3089395	3288489
4. Maturity-wise Classifications		
a. Short-Term (Term Loans, Direct Bridge Loans, Short-Term Loans, Term Loans PFPS)	103123	105287
b. Long-Term		
(Term Loans Direct, Loans State Government Housing and FF, and Loans PFPS)	1075483	1357331
Loans to Subsidiaries	26862	43493
Housing, Vehicle, And Computer Loans To Employees.	1883927	1782378
Total	3089395	3288489
PFPS and FITL PFPS amounting to ₹ 585452 (P.Y. ₹ 617105) and FITL short term loan amounting to ₹ 1675 (P.Y. ₹ 1675) and direct term loans amounting to ₹ 6101 (P.Y. ₹ 6101) are netted against interest suspense of an equal amount.		
Provision made for bad and doubtful debts shown under Schedule 14.5 against assets in Schedule 9		
Direct term loans (Investments)	18115	18115
Bridge loan (Investments)	400	400
Term loans PFPS std.provision	0	511
Term loans PFPS	503336	554283
Short term loans (Investments)	85068	85068
Housing loans to state govts. - std.provision	2192	2595
Housing loans to state govts.	16573	16573
FFE loans to state govts. - std.provision	19	35
FFE loans to state govts.	2932	2932
Total	628635	680512





Schedules for the year ended 31st March, 2017

Schedule 10
Fixed Assets

Particulars	Gross Block			Depreciation Fund			Net Block	
	Opening Balance.	Additions	Deletions / Adjustments	* Closing Balance	Opening Balance.	Additions During 2016-2017	Deletions / Adjustments	* Closing Balance
	01/04/2016	During 2016-2017	31/03/2017	01/04/2016	During 2016-2017	31/03/2017	31/03/2017	31/03/2017
Goodwill	0	0	0	0	0	0	0	0
Intangibles (Softwares)	1064190	1286	(28479)	1093955	1033075	17118	(9897)	33865
Land Freehold	78234	1810	3929	76116	0	0	0	78234
Leasehold Property	20786	0	0	20786	5096	199	1687	17177
Buildings	1735585	140936	(3501)	1880021	900676	36117	4015	947243
Furnitures & Fittings	676847	47183	13863	710167	475893	27994	(14)	503901
Information & Technology Equipments	2974592	775012	232737	3516867	2491656	224108	15117	2700647
Vehicles	1205801	347212	170192	1382820	532874	118399	88643	562630
Office Equipments	123594	12628	10882	125341	106289	6145	5537	106897
Other Assets #	364220	35175	(973)	400368	242189	18697	(775)	261662
Work in Progress	151954	553793	138849	566898	0	0	0	566898
Grand Total	8395802	1915035	537498	9773338	5787750	448777	104313	6132214
Previous Year	7636360	952341	192899	8395802	5620817	318034	151101	5787750
								2015543

* Includes foreign currency fluctuation.

Other Assets includes Air Conditioner, Water Coolers, Television, Lifts & Cameras etc.



Schedules for the year ended 31st March, 2017

Particulars		Current year ₹ (000)	Previous year ₹ (000)
Schedule 11			
Cash and Bank Balances			
1. Cash (Including Cheques, Drafts and Stamps)		2344384	2033599
2. Bank Balances			
a. Deposit Accounts			
aa. Short - Term (due within 12 Months)		16301220	8983395
bb. Others		46194958	46617367
b. Current Accounts		6924013	9498133
3. Money at Call and Short Notice			
With Banks		503022	610449
With other Institutions		7924158	3084498
Total		80191755	70827441
Cash and Bank Balances	In India	29479189	16557873
Cash and Bank Balances	Outside India	50712566	54269568
Total		80191755	70827441
<i>Balances with non scheduled banks included in 2b above</i>		9090285	2709982
<i>Provision made for bad and doubtful debts shown under Schedule 14.5 against assets in Schedule 11</i>			
<i>Indian balances included in 2b above</i>		0	65039
Total		0	65039



**Schedules for the year ended 31st March, 2017**

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 12		
Advances and Other Assets		
A. Advances		
1. Reserve Deposits With Ceding Companies	161679	257769
2. Application Money For Investments	0	0
3. Pre-Payments	317551	174388
4. Advances To Directors / Officers	0	0
5. Advance Tax Paid And Taxes Deducted At Source (Net Of Provision For Taxation)	2918562	5999505
6. Others	585878	384211
Total (A)	3983670	6815873
B. Other Assets		
1. Income Accrued On Investments	6884500	6549893
2. Outstanding Premiums	6247791	1846083
3. Agents Balances	3969680	4485413
4. Foreign Agencies Balances	995900	1503989
5. Due From Other Entities Carrying Insurance Business (Including Reinsurers)	57513660	52879343
6. Due From Subsidiaries/Holding Companies	0	0
7. Deposit With R B I (Persuant to Section 7 Of Insurance Act 1938)	0	0
8. Others - a. Other Accrued Income	1323800	999102
b. Others Including Sundry Debtors & Inter office Accounts	5627995	29024618
c. Service Tax Unutilized Credit	323447	325886
d. Fixed Deposit-Unclaimed Amounts of Policy Holders	1387541	0
Total (B)	84274314	97614327
TOTAL(A+B)	88257984	104430200
Sundry Debtors amounting to ₹ 5010 (P.Y. ₹6604) are netted against interest suspense of an equal amount.		
Provision made for Bad and doubtful debts shown under Schedule 14.5 against assets in Schedule 12		
Reinsurance balances included in A1 above	93984	93984
Reinsurance balances included in B5 above	946978	942847
Reinsurance balances included in B8 above	494	494
Foreign balances included in B3 above (Fiji, Mauritus, Bangkok, Japan, New Zealand)	62209	45480
Foreign balances included in B4 above (Manila & Dubai)	73104	62620
Foreign balances included in B5 above (Bangkok)	11755	26351
Foreign balances included in B8 above (Equitorial Bank London)	9391	10432
Indian reinsurance balances/Miscellaneous debtors included in B5 above	200000	200000
Indian balances included in B3 above	50223	138334
Indian balances included in B8b above	355795	86800
Indian miscellaneous debtors included in B8b above (TCS)	81188	137757
Sundry debtors(5192) investments Indian included in B8 above - Std. provision	31	31
Sundry debtors(5192) investments Indian included in B8 above	3851	3851
Sundry debtors(5192) investments(F) Indian included in B8 above	952	949
Income accrued on investments(5131(F)) Indian included in B1 above	2	2
Total	1889957	1749932





Schedules for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 13		
Current Liabilities		
1. Agents Balances	241511	168203
2. Balances Due To Other Insurance Companies	34446693	23823437
3. Deposits Held On Reinsurance Ceded	161528	174932
4. Premium Received In Advance	1702021	1428840
5. Un-Allocated Premium	0	0
6. Sundry Creditors - a. Other Than Service Tax Payable	18215110	21021652
b. Service Tax Payable	485365	594422
7. Due To Subsidiaries / Holding Company	0	0
8. Claims Outstanding	179120779	163260588
9. Due To Officers/Directors	0	0
10. Others	1574659	23767747
Unclaimed Amounts of Policy Holders - Excess Premium Collected	344977	325392
Unclaimed Amounts of Policy Holders - Refund Premium Due	333600	332102
Unclaimed Amounts of Policy Holders - Stale Cheques	708964	750624
Total	237335207	235647939
Schedule 14		
Provisions		
1. a. Reserve for Un-Expired Risks	87883611	80122250
b. Premium Deficiency Reserve	0	0
2. Provision for Taxation (Net of Payment of Taxes)	0	0
3. Provision for Proposed Dividend	0	2500000
4. Provision for Dividend Distribution Tax	0	508941
5. Others - Reserve for Bad and Doubtful Debts.	3345919	3297092
Provision for Diminution in value of Thinly Traded / Unlisted Shares	63486	95245
Provision for Wage Arrear	0	0
Provision for Leave Encashment	6682800	6517000
Total	97975816	93040528
Schedule 15		
Miscellaneous Expenditure		
1. Discount Allowed in Issue of Shares and Debentures	0	0
2. Others - Contribution to Pension Fund and Gratuity Fund (Deferred Expenses to the Extent not Written Off)	2213400	4357760
Total	2213400	4357760



**Receipts & Payments Account / Cash Flow Statement for the period from 01/04/2016 to 31/03/2017**

Particulars	Current Year ₹ (000)	Previous Year ₹ (000)
A. Cash Flows from the operating activities:		
1. Premium received from policyholders, including advance receipts	241479097	201752985
2. Other receipts	265318	154519
3. Payments to the re-insurers, net of commissions and claims	(15693945)	(6306592)
4. Payments to co-insurers, net of claims recovery	(1907977)	(3231595)
5. Payments of claims	(152535971)	(135024136)
6. Payments of commission and brokerage	(14914208)	(15078117)
7. Payments of other operating expenses	(39560247)	(37999158)
8. Preliminary and pre-operative expenses	0	0
9. Deposits, advances and staff loans	(34413)	190012
10. Income taxes paid (Net)	2782513	(2327581)
11. Service tax paid	(23077869)	(17607942)
12. Other payments	1648335	74066
13. Cash flows before extraordinary items	(1549368)	(15403539)
14. Cash flow from extraordinary operations	0	0
Net cash flow from operating activities	(1549368)	(15403539)
B. Cash flows from investing activities:		
1. Purchase of fixed assets	(1915035)	(952341)
2. Proceeds from sale of fixed assets	384062	13744
3. Purchases of investments	(34331236)	(50866363)
4. Loans disbursed	0	0
5. Sales of investments	29400240	32148971
6. Repayments received	(376332)	87130
7. Rents/Interests/ Dividends received	25431405	24871329
8. Investments in money market instruments and in liquid mutual funds	0	0
9. Expenses related to investments	(297503)	102643
Net cash flow from investing activities	18295602	5405113
C. Cash flows from financing activities:		
1. Proceeds from issuance of share capital	0	0
2. Proceeds from borrowing	0	0
3. Repayments of borrowing	0	0
4. Interest/dividends paid	(3019849)	(3600000)
Net cash flow from financing activities	(3019849)	(3600000)
D. Effect of foreign exchange rates on cash and cash equivalents, net	(4362071)	1923568
E. Net increase in cash and cash equivalents:	9364314	(11674858)
1. Cash and cash equivalents at the beginning of the year	70827441	82502299
2. Cash and cash equivalents at the end of the year	80191755	70827441

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017



SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 INDIAN

(₹, 000)

Revenue Account Elements	Fire		M Cargo		M Hull		Marine Total	
	CY	PY	CY	PY	CY	PY	CY	PY
Premium Direct	18242822	16918362	3417555	3349088	2682704	2826243	6100259	6175331
Premium Accepted	878175	857380	-6400	18585	57929	158678	51529	177263
Premium Ceded	10184970	9091456	669863	862273	2564793	2142285	3234656	3004559
Net Premium	8936027	8684287	2741293	2505400	175840	842636	2917132	3348036
Change in Unexpired Risk Reserve	1666032	-89615	-281846	-53853	-666796	-66864	-948642	-120717
Net Earned Premium	7269996	8773902	3023138	2559253	842636	909500	3865774	3468753
Profit on Realisation of Investment	1202679	1508234	196292	175469	158439	171665	354731	347134
Interest Dividend and Rent	1636920	2560237	268672	297860	216637	291403	485309	589262
Investment Provisions	4354	1896	817	221	644	216	1461	436
Total Investment Income	4284316	4066575	486719	473108	424488	462852	911208	935960
Claims Paid Direct	12651233	14369729	2804607	2067280	1314341	2470041	4118948	4537322
Claims Paid Accepted	515731	280187	2219	20711	35294	114602	37513	135313
Claims Paid Ceded	4453593	7560521	371520	388942	621169	2320821	992690	2709763
Net Claim Paid	8713372	7089396	2435305	1699049	728466	263822	3163772	1962871
CI O/S Claims Direct	29534522	25468334	2845264	3319790	7564859	2628312	10410123	5948102
CI O/S Claims Accepted	1688519	1540409	23628	10232	521264	283920	544892	294152
CI O/S Claims Ceded	15020087	13712269	875391	939255	5838536	927740	6713927	1866995
Net Closing Outstanding Claim	16202954	13296474	1993501	2390768	2247587	1984492	4241088	4375259
Op O/S Claims Direct	25468509	28264444	3319790	3372755	2628312	4983806	5948102	8356561
Op O/S Claims Accepted	1540409	1859205	10232	15673	283920	231646	294152	247319
Op O/S Claims Ceded	13712269	16848517	939255	1128748	927740	3626900	1866995	4755648
Net Opening Outstanding Claim	13296649	13275132	2390768	2259680	1984492	1588552	4375259	3848232
Incurrd Claims Direct	16717246	11573619	2330080	2014315	6250888	114547	8580968	2128863
Incurrd Claims Accepted	663841	-38609	15615	15270	272639	166875	288253	182146
Incurrd Claims Ceded	5761411	4424273	307656	199449	5531965	-378339	5839621	-178890
Net Incurred Claim	11619677	7110738	2038039	1830137	991561	659762	3029600	2489898
Commission Direct	1111701	987439	438267	393139	65025	54863	503292	448002
Commission Accepted	40728	59932	0	0	9528	27874	9528	27874
Commission Ceded	887716	1210412	97107	42372	105187	124377	202294	166749
Net Incurred Commission	264713	-163041	341160	350767	-30634	-41640	310525	309127
Foreign Taxes	0	0	0	0	0	0	0	0
Operating Expenses Related to Insurance	3099740	6044240	621886	523240	56943	451441	678830	974680
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	-3429818	-151460	508772	328217	249254	302789	758026	631007





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 INDIAN

(₹, 000)

Revenue Account Elements	Motor OD		Motor TP		Motor Total		Health	
	CY	PY	CY	PY	CY	PY	CY	PY
Premium Direct	30943251	27842729	45063466	33930122	76006717	61772851	59596106	48478531
Premium Accepted	0	0	459906	1216181	459906	1216181	0	0
Premium Ceded	1604420	1456789	2287313	2979535	3891733	4436324	5502486	2963001
Net Premium	29338831	26385940	43236058	32166768	72574889	58552708	54093619	45515529
Change in Unexpired Risk Reserve	2692099	919621	7341402	2667494	10033501	3587115	-2794009	4044404
Net Earned Premium	26646731	25466319	35894657	29499274	62541388	54965593	56887629	41471125
Profit on Realisation of Investment	1153250	1111629	5947979	4545020	7101229	5656649	1588818	1063330
Interest Dividend and Rent	1573724	1464615	8149352	8137583	9723076	9602197	2176428	1805009
Investment Provisions	4464	-2600	25345	9710	29809	7110	6740	1337
Total Investment Income	3061261	2578844	14071986	12672892	17133246	15251736	3691870	2867002
Claims Paid Direct	23639459	20544870	24070171	19977399	47709630	40522270	63866482	48675233
Claims Paid Accepted	0	0	553713	2201863	553713	2201863	0	0
Claims Paid Ceded	1207919	1227121	1423141	3840304	2631059	5067425	4968007	2442672
Net Claim Paid	22431540	19317750	23200744	18338958	45632284	37656708	58898476	46232561
CI O/S Claims Direct	7434479	6443556	115374910	103517467	122809389	109961023	9303903	8166225
CI O/S Claims Accepted	0	0	0	0	0	0	0	0
CI O/S Claims Ceded	925341	651915	7400297	5070286	8325639	5722200	993597	542786
Net Closing Outstanding Claim	6509137	5791642	107974613	98447181	114483750	104238823	8310306	7623438
Op O/S Claims Direct	6443556	5328122	103517467	96797311	109961023	102125432	8166225	5612930
Op O/S Claims Accepted	0	0	0	0	0	0	0	0
Op O/S Claims Ceded	651915	391335	5070286	5206060	5722200	5597394	542786	141088
Net Opening Outstanding Claim	5791642	4936787	98447181	91591251	104238823	96528038	7623438	5471841
Incurred Claims Direct	24630381	21660305	35927615	26697555	60557996	48357860	65004161	51228528
Incurred Claims Accepted	0	0	553713	2201863	553713	2201863	0	0
Incurred Claims Ceded	1481345	1487701	3753153	3704530	5234498	5192231	5418818	2844370
Net Incurred Claim	23149036	20172604	32728176	25194888	55877211	45367493	59585343	48384158
Commission Direct	2369731	2101009	0	0	2369731	2101009	3427085	3196808
Commission Accepted	0	0	0	0	0	0	0	0
Commission Ceded	232334	208773	41625	30555	273959	239328	663167	285556
Net Incurred Commission	2137398	1892236	-41625	-30555	2095772	1861681	2763918	2911252
Foreign Taxes	0	0	0	0	0	0	0	0
Operating Expenses Related to Insurance	7694266	6983028	8794387	6560982	16488653	13544010	11220091	8881535
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	-3272708	-1002706	8485705	10446851	5212998	9444145	-12989853	-15838817





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 INDIAN

(₹, 000)

Revenue Account Elements	Liability		Personal Accident		Aviation		Engineering	
	CY	PY	CY	PY	CY	PY	CY	PY
Premium Direct	3528402	2978024	3755135	2107834	1245128	1145599	4993558	4940980
Premium Accepted	214000	14016	48004	38396	67093	34175	318448	399520
Premium Ceded	941500	568128	205425	213417	1202549	1150883	2444808	2740272
Net Premium	2800901	2423911	3597714	1932814	109672	28891	2867198	2600228
Change in Unexpired Risk Reserve	-72816	86614	603266	61972	36426	14445	75025	48613
Net Earned Premium	2873718	2337297	2994448	1870842	73246	14445	2792173	2551615
Profit on Realisation of Investment	195555	256153	104654	82590	30223	79558	260269	243046
Interest Dividend and Rent	265988	434822	143282	140198	40556	135051	355715	412572
Investment Provisions	696	322	439	104	68	100	1047	306
Total Investment Income	720961	690653	254094	222684	189469	214509	719396	655312
Claims Paid Direct	691258	623857	1981531	1444591	208547	522229	1955212	1995573
Claims Paid Accepted	17815	1621	80671	42721	67584	-2676	424274	242381
Claims Paid Ceded	52285	53722	110509	84251	132956	294885	788201	795477
Net Claim Paid	656787	571756	1951692	1403060	143175	224667	1591284	1442477
CI O/S Claims Direct	1730828	1818735	1471529	1025895	1386355	978768	5173487	4552296
CI O/S Claims Accepted	0	0	0	0	80916	31913	1190795	1280935
CI O/S Claims Ceded	314351	250849	87742	30355	1132974	875980	2887772	2568515
Net Closing Outstanding Claim	1416476	1567886	1383787	995539	334297	134701	3476510	3264716
Op O/S Claims Direct	1818735	1847515	1025895	848305	978768	1164114	4552296	4639639
Op O/S Claims Accepted	0	0	0	0	31913	15196	1280935	838934
Op O/S Claims Ceded	250849	243925	30355	21887	875980	871091	2568515	2573183
Net Opening Outstanding Claim	1567886	1603590	995539	826418	134701	308219	3264716	2905389
Incurrd Claims Direct	603350	595077	2427165	1622181	616134	336882	2576403	1908230
Incurrd Claims Accepted	17815	1621	80671	42721	116587	14040	334134	684382
Incurrd Claims Ceded	115787	60646	167896	92720	389950	299774	1107459	790809
Net Incurred Claim	505377	536052	2339940	1572182	342771	51149	1803078	1801804
Commission Direct	352039	324341	278077	231551	6686	5950	304072	281169
Commission Accepted	1600	1395	14401	11519	2643	1600	24821	82271
Commission Ceded	38835	51653	32241	20823	48875	45520	369493	436711
Net Incurred Commission	314804	274083	260237	222247	-39546	-37970	-40600	-73270
Foreign Taxes	0	0	0	0	0	0	0	0
Operating Expenses Related to Insurance	648578	804119	768180	424362	94023	339084	655882	1157689
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	2125919	1413698	-119814	-125265	-134533	-123308	1093208	320705





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 INDIAN

(₹, 000)

Revenue Account Elements	Other Misc		Total Misc		Total Net Indian	
	CY	PY	CY	PY	CY	PY
Premium Direct	17678796	6977575	166803842	128401394	191146923	151495088
Premium Accepted	2145738	676712	3253188	2378999	4182892	3413642
Premium Ceded	10066825	1640814	24255327	13712839	37674953	25808854
Net Premium	9757710	6013473	145801703	117067554	157654863	129099876
Change in Unexpired Risk Reserve	36439	239597	7917830	8082760	8635221	7872428
Net Earned Premium	9721271	5773877	137883873	108984794	149019642	121227449
Profit on Realisation of Investment	392371	324042	9673118	7705369	11230528	9560737
Interest Dividend and Rent	536889	550064	13241933	13079913	15364163	16229411
Investment Provisions	1622	407	40421	9686	46237	12018
Total Investment Income	995989	873699	23705025	20775596	28900549	25778130
Claims Paid Direct	5411805	4879338	121824465	98633090	138594646	117570141
Claims Paid Accepted	256664	684941	1400720	3170851	1953965	3586351
Claims Paid Ceded	961820	1692085	9644837	10430517	15091120	20700801
Net Claim Paid	4706650	3872194	113580348	91403424	125457491	100455691
CI O/S Claims Direct	14799475	5494865	156674966	131997806	196619611	163414242
CI O/S Claims Accepted	2123040	873356	3394751	2186203	5628163	4020765
CI O/S Claims Ceded	9698173	2174967	23440249	12165653	45174263	27744917
Net Closing Outstanding Claim	7224342	4193253	136629468	122018356	157073510	139690090
Op O/S Claims Direct	5494865	4894412	131997806	121132347	163414417	157753352
Op O/S Claims Accepted	873356	976469	2186203	1830599	4020765	3937124
Op O/S Claims Ceded	2174967	2512784	12165653	11961352	27744917	33565517
Net Opening Outstanding Claim	4193253	3358098	122018356	111001594	139690265	128124959
Incurred Claims Direct	14716416	5479790	146501625	109528549	171799840	123231032
Incurred Claims Accepted	1506348	581828	2609268	3526455	3561362	3669992
Incurred Claims Ceded	8485026	1354268	20919433	10634818	32520466	14880201
Net Incurred Claim	7737738	4707349	128191460	102420186	142840737	112020822
Commission Direct	955860	874318	7693549	7015145	9308542	8450585
Commission Accepted	223189	108655	266654	205441	316910	293247
Commission Ceded	769498	199846	2196067	1279435	3286077	2656597
Net Incurred Commission	409551	783128	5764136	5941150	6339375	6087235
Foreign Taxes	0	0	0	0	0	0
Operating Expenses Related to Insurance	2097092	1540451	31972500	26691249	35751069	33710169
Premium Deficiency	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	472878	-383352	-4339198	-5292195	-7010989	-4812648





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 FOREIGN

(₹, 000)

Revenue Account Elements	Fire		M Cargo		M Hull		Marine Total	
	CY	PY	CY	PY	CY	PY	CY	PY
Premium Direct	7272521	8576837	374999	457726	165545	114774	540544	572500
Premium Accepted	8410450	7411272	80025	71773	228855	262708	308880	334480
Premium Ceded	4546858	3290471	19656	21408	94438	94718	114094	116127
Net Premium	11136113	12697637	435368	508091	299962	282763	735330	790853
Change in Unexpired Risk Reserve	-780762	738969	-36361	-24596	17199	-445781	-19162	-470377
Net Earned Premium	11916875	11958668	471729	532686	282763	728544	754492	1261230
Profit on Realisation of Investment	671289	0	16566	0	27204	0	43770	0
Interest Dividend and Rent	930612	140165	22966	16307	37713	15953	60679	32260
Investment Provisions	3631	1326	90	154	147	151	237	305
Total Investment Income	149199	138838	16870	16153	14714	15802	31584	31955
Claims Paid Direct	4597544	3690994	83540	115976	1400	2356	84940	118332
Claims Paid Accepted	5363662	5028309	27138	24984	340325	403731	367463	428715
Claims Paid Ceded	1950325	1766082	776	1786	404	1244	1179	3030
Net Claim Paid	8010880	6953222	109903	139174	341321	404843	451224	544017
CI O/S Claims Direct	9831099	6643287	666157	548051	72586	236681	738743	784732
CI O/S Claims Accepted	9307315	9610549	62642	43146	296326	226126	358968	269272
CI O/S Claims Ceded	7475871	4015499	402573	392682	11430	158	414003	392839
Net Closing Outstanding Claim	11662544	12238337	326226	198515	357482	462649	683709	661165
Op O/S Claims Direct	6462125	6790970	557757	577457	239893	336705	797651	914162
Op O/S Claims Accepted	9227795	9953386	43699	36722	229376	412585	273075	449306
Op O/S Claims Ceded	3990506	5161713	399432	392694	179	96	399611	392791
Net Opening Outstanding Claim	11699414	11582643	202024	221484	469090	749193	671114	970677
Incurrd Claims Direct	7966519	3543312	191940	86570	-165907	-97668	26033	-11098
Incurrd Claims Accepted	5443182	4685472	46081	31409	407275	217272	453356	248681
Incurrd Claims Ceded	5435691	619868	3917	1774	11654	1305	15571	3079
Net Incurred Claim	7974010	7608915	234105	116205	229714	118299	463818	234504
Commission Direct	2134224	2838919	93493	113814	43755	-50063	137248	63751
Commission Accepted	1514583	1313095	18839	20258	23519	36093	42358	56352
Commission Ceded	507477	173413	5149	5970	3117	-56765	36266	-50795
Net Incurred Commission	3141330	3978601	107183	128103	36157	42796	143340	170899
Foreign Taxes	3985	2968	0	0	0	0	0	0
Operating Expenses Related to Insurance	983014	258670	24259	22393	39837	19320	64096	41713
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	-36265	248352	123053	282138	-8231	563931	114822	846069





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 FOREIGN

(₹, 000)

Revenue Account Elements	Motor OD		Motor TP		Motor Total		Health	
	CY	PY	CY	PY	CY	PY	CY	PY
Premium Direct	12634164	12517109	0	0	12634164	12517109	1253683	1134786
Premium Accepted	160440	152323	0	0	160440	152323	0	0
Premium Ceded	1485050	1260283	0	0	1485050	1260283	0	0
Net Premium	11309554	11409149	0	0	11309554	11409149	1253683	1134786
Change in Unexpired Risk Reserve	-49798	1374772	0	0	-49798	1374772	59449	187766
Net Earned Premium	11359351	10034376	0	0	11359351	10034376	1194234	947019
Profit on Realisation of Investment	391826	0	0	0	391826	0	25793	0
Interest Dividend and Rent	543191	525690	0	0	543191	525690	35758	98819
Investment Provisions	2119	4975	0	0	2119	4975	140	935
Total Investment Income	594146	520715	0	0	594146	520715	128047	97883
Claims Paid Direct	8290752	7180267	0	0	8290752	7180267	1082110	850849
Claims Paid Accepted	154367	137097	0	0	154367	137097	0	0
Claims Paid Ceded	633921	347860	0	0	633921	347860	0	0
Net Claim Paid	7811198	6969504	0	0	7811198	6969504	1082110	850849
CI O/S Claims Direct	6507748	5364897	0	0	6507748	5364897	149305	150357
CI O/S Claims Accepted	98388	56840	0	0	98388	56840	0	0
CI O/S Claims Ceded	998536	381854	0	0	998536	381854	0	8910
Net Closing Outstanding Claim	5607600	5039883	0	0	5607600	5039883	149305	141448
Op O/S Claims Direct	5338245	4443079	0	0	5338245	4443079	150353	2176
Op O/S Claims Accepted	63718	58677	0	0	63718	58677	0	0
Op O/S Claims Ceded	362401	267969	0	0	362401	267969	9129	0
Net Opening Outstanding Claim	5039562	4233787	0	0	5039562	4233787	141224	2176
Incurrd Claims Direct	9460256	8102085	0	0	9460256	8102085	1081063	999030
Incurrd Claims Accepted	189037	135260	0	0	189037	135260	0	0
Incurrd Claims Ceded	1270056	461745	0	0	1270056	461745	-9129	8910
Net Incurred Claim	8379237	7775600	0	0	8379237	7775600	1090191	990121
Commission Direct	2637098	2717271	0	0	2637098	2717271	292732	281170
Commission Accepted	1847	2402	0	0	1847	2402	0	0
Commission Ceded	183425	121363	0	0	183425	121363	0	0
Net Incurred Commission	2455520	2598310	0	0	2455520	2598310	292732	281170
Foreign Taxes	1129	1473	0	0	1129	1473	125	146
Operating Expenses Related to Insurance	573777	579632	0	0	573777	579632	37771	380096
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	543834	-399923	0	0	543834	-399923	-98539	-606630



SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 FOREIGN

(₹, 000)

Revenue Account Elements	Liability		Personal Accident		Aviation		Engineering	
	CY	PY	CY	PY	CY	PY	CY	PY
Revenue Direct	1327402	1487380	215181	183715	0	0	803032	871066
Premium Accepted	-2576	12484	22210	40590	736050	714389	249668	255424
Premium Ceded	74079	59881	11899	10705	4504	6796	304198	353227
Net Premium	1250747	1439984	225492	213600	731547	707593	748501	773262
Change in Unexpired Risk Reserve	-94618	-10035	5946	-1872	11977	16036	-12380	-87211
Net Earned Premium	1345365	1450019	219546	215472	719570	691557	760882	860473
Profit on Realisation of Investment	119877	0	6470	0	52640	0	54334	0
Interest Dividend and Rent	166186	23805	8970	7675	72975	7394	75324	22587
Investment Provisions	648	225	35	73	285	70	294	214
Total Investment Income	25301	23580	8808	7603	6571	7324	24906	22373
Claims Paid Direct	739107	812325	56348	54293	0	0	310207	331246
Claims Paid Accepted	132	12	11128	15845	754780	834441	338626	382054
Claims Paid Ceded	11721	22005	1	1	16083	25608	46640	94552
Net Claim Paid	727518	790332	67475	70137	738697	808833	602193	618747
CI O/S Claims Direct	2229511	2681906	63404	45679	86538	150000	721582	843557
CI O/S Claims Accepted	10063	10532	23652	24176	1002892	942614	911673	540153
CI O/S Claims Ceded	107164	49162	1390	33	426032	0	303929	287940
Net Closing Outstanding Claim	2132410	2643277	85666	69822	663398	1092614	1329326	1095769
Op O/S Claims Direct	2435707	2527419	47656	44740	150000	200000	861596	596400
Op O/S Claims Accepted	10609	8849	24180	23742	942614	992121	551290	555375
Op O/S Claims Ceded	43666	72288	38	33	0	0	295566	128341
Net Opening Outstanding Claim	2402649	2463780	71799	68449	1092614	1192121	1117319	1023434
Incurrd Claims Direct	532912	966812	72095	55232	-63462	-50000	170193	578403
Incurrd Claims Accepted	-414	1895	10601	16279	815058	784934	699010	366831
Incurrd Claims Ceded	75219	-1122	1353	1	442116	25608	55003	254152
Net Incurred Claim	457279	969829	81342	71510	309481	709327	814200	691083
Commission Direct	299889	364131	54375	48121	0	0	158551	181961
Commission Accepted	-514	2508	11508	18147	117769	71500	65271	69698
Commission Ceded	12438	2593	1199	708	0	0	32724	30668
Net Incurred Commission	286937	364045	64685	65560	117769	71500	191098	220992
Foreign Taxes	125	186	23	28	73	91	75	100
Operating Expenses Related to Insurance	175543	34413	9475	18161	77084	14511	79566	49545
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	450781	105125	72829	67816	221735	-96549	-299150	-78872





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 FOREIGN

	Other Misc		Total Misc		Total Net Foreign	
	CY	PY	CY	PY	CY	PY
Revenue Account Elements						
Premium Direct	785714	794620	17019175	16988676	24832240	26138013
Premium Accepted	160032	156236	1325824	1331445	10045154	9077197
Premium Ceded	82409	98497	1962139	1789389	6623090	5195987
Net Premium	863337	852358	16382860	16530731	28254304	30019222
Change in Unexpired Risk Reserve	5490	-99640	-73936	1379817	-873860	1648410
Net Earned Premium	857848	951998	16456796	15150914	29128163	28370812
Profit on Realisation of Investment	43207	0	694148	0	1409207	0
Interest Dividend and Rent	59898	30114	962302	716084	1953593	888509
Investment Provisions	234	285	3754	6777	7622	8408
Total Investment Income	34520	29829	822300	709308	1003082	880101
Claims Paid Direct	342151	368423	10820676	9597402	15503160	13406729
Claims Paid Accepted	50162	60972	1309196	1430421	7040321	6887445
Claims Paid Ceded	1801	910	710168	490936	2661673	2260048
Net Claim Paid	390512	428485	11419704	10536888	19881808	18034126
CI O/S Claims Direct	417396	677060	10175484	9913457	20745327	17341476
CI O/S Claims Accepted	130417	82132	2177086	1656447	11843370	11536268
CI O/S Claims Ceded	12406	3857	1849459	731755	9739333	5140094
Net Closing Outstanding Claim	535406	755335	10503112	10838149	22849365	23737650
Op O/S Claims Direct	688180	754078	9671737	8567892	16931513	16273024
Op O/S Claims Accepted	82882	94783	1675292	1733346	11176162	12136038
Op O/S Claims Ceded	4136	5192	714936	473823	5105053	6028327
Net Opening Outstanding Claim	766927	843669	10632094	9827415	23002622	22380735
Incurred Claims Direct	71367	291405	11324423	10942968	19316974	14475181
Incurred Claims Accepted	97697	48322	1810990	1353522	7707529	6287675
Incurred Claims Ceded	10072	-424	1844691	748868	7295953	1371815
Net Incurred Claim	158992	340152	11290722	11547622	19728551	19391041
Commission Direct	164621	164758	3607266	3757412	5878738	6660083
Commission Accepted	40978	42199	236860	206454	1793801	1575901
Commission Ceded	7001	7813	236787	163145	780530	285763
Net Incurred Commission	198598	199145	3607339	3800721	6892009	7950221
Foreign Taxes	86	110	1636	2134	5621	5101
Operating Expenses Related to Insurance	63271	65925	1016488	1142284	2063597	1442667
Premium Deficiency	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	471420	376495	1362911	-632539	1441468	461883



SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 GLOBAL

(₹, 000)

Revenue Account Elements	Fire		M Cargo		M Hull		Marine Total	
	CY	PY	CY	PY	CY	PY	CY	PY
Premium Direct	25515343	25495199	3792554	3806815	2848249	2941017	6640803	6747831
Premium Accepted	9288625	8268652	73625	90357	286784	421386	360409	511743
Premium Ceded	14731827	12381927	689519	883682	2659231	2237004	3348750	3120685
Net Premium	20072141	21381924	3176660	3013490	475802	1125399	3652462	4138889
Change in Unexpired Risk Reserve	885270	649354	-318207	-78449	-649597	-512644	-967804	-591093
Net Earned Premium	19186871	20732570	3494867	3091939	1125399	1638043	4620266	4729982
Profit on Realisation of Investment	1873968	1508234	212858	175469	185643	171665	398501	347134
Interest Dividend and Rent	2567532	2700401	291638	314166	254350	307356	545988	621522
Investment Provisions	7985	3222	907	375	791	367	1698	742
Total Investment Income	4433515	4205413	503589	489260	439202	478654	942791	967915
Claims Paid Direct	17248777	18060724	2888147	2183256	1315741	2472398	4203888	4655654
Claims Paid Accepted	5879393	5308497	29357	45695	375619	518333	404976	564028
Claims Paid Ceded	6403918	9326603	372296	390728	621573	2322065	993869	2712793
Net Claim Paid	16724252	14042617	2545208	1838223	1069787	668666	3614995	2506889
CI O/S Claims Direct	39365621	32111621	3511421	3867841	7637445	2864993	11148866	6732834
CI O/S Claims Accepted	10995834	11150958	86270	53379	817590	510046	903861	563424
CI O/S Claims Ceded	22495958	17727769	1277964	1331937	5849966	927898	7127930	2259834
Net Closing Outstanding Claim	27865498	25534810	2319727	2589283	2605069	2447141	4924797	5036424
Op O/S Claims Direct	31930634	35055414	3877548	3950212	2868205	5320511	6745753	9270723
Op O/S Claims Accepted	10768204	11812592	53931	52394	513296	644231	567227	696625
Op O/S Claims Ceded	17702775	22010231	1338687	1521442	927919	3626996	2266606	5148438
Net Opening Outstanding Claim	24996063	24857775	2592792	2481165	2453582	2337745	5046374	4818910
Incurrd Claims Direct	24683765	15116931	2522020	2100885	6084981	16880	8607001	2117765
Incurrd Claims Accepted	6107023	4646863	61696	46679	679913	384148	741610	430827
Incurrd Claims Ceded	11197101	5044141	311573	201223	5543620	-377034	5855193	-175811
Net Incurred Claim	19593687	14719653	2272144	1946342	1221275	778061	3493418	2724403
Commission Direct	3245925	3826358	531760	506953	108780	4800	640540	511753
Commission Accepted	1555311	1373027	18839	20258	33047	63968	51886	84226
Commission Ceded	1395193	1383825	102257	48341	136303	67612	238560	115954
Net Incurred Commission	3406042	3815560	448342	478870	5523	1155	453866	480025
Foreign Taxes	3985	2968	0	0	0	0	0	0
Operating Expenses Related to Insurance	4082754	6302911	646145	545632	96780	470761	742925	1016393
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	-3466082	96891	631825	610356	241023	866721	872848	1477076





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 GLOBAL

(₹, 000)

Revenue Account Elements	Motor OD		Motor TP		Motor Total		Health	
	CY	PY	CY	PY	CY	PY	CY	PY
Premium Direct	43577415	40359838	45063466	33930122	88640881	74289960	60849788	49613316
Premium Accepted	160440	152323	459906	1216181	620345	1368503	0	0
Premium Ceded	3089470	2717072	2287313	2979535	5376783	5696607	5502486	2963001
Net Premium	40648384	37795088	43236058	32166768	83884443	69961856	55347302	46650315
Change in Unexpired Risk Reserve	2642302	2294393	7341402	2667494	9983704	4961887	-2734561	4232171
Net Earned Premium	38006083	35500695	35894657	29499274	73900739	64999969	58081863	42418145
Profit on Realisation of Investment	1545076	1111629	5947979	4545020	7493055	5656649	1614611	1063330
Interest Dividend and Rent	2116915	1990305	8149352	8137583	10266266	10127888	2212186	1903827
Investment Provisions	6584	2375	25345	9710	31929	12085	6880	2272
Total Investment Income	3655407	3099559	14071986	12672892	17727393	15772452	3819917	2964885
Claims Paid Direct	31930211	27725138	24070171	19977399	56000382	47702537	64948593	49526082
Claims Paid Accepted	154367	137097	553713	2201863	708080	2338960	0	0
Claims Paid Ceded	1841840	1574981	1423141	3840304	3264981	5415285	4968007	2442672
Net Claim Paid	30242738	26287254	23200744	18338958	53443482	44626212	59980586	47083410
CI O/S Claims Direct	13942227	11808454	115374910	103517467	129317137	115325920	9453208	8316582
CI O/S Claims Accepted	98388	56840	0	0	98388	56840	0	0
CI O/S Claims Ceded	1923878	1033768	7400297	5070286	9324175	6104054	993597	551696
Net Closing Outstanding Claim	12116738	10831525	107974613	98447181	120091351	109278706	8459611	7764886
Op O/S Claims Direct	11781801	9771201	103517467	96797311	115299268	106568511	8316578	5615105
Op O/S Claims Accepted	63718	58677	0	0	63718	58677	0	0
Op O/S Claims Ceded	1014316	659303	5070286	5206060	6084602	5865363	551915	141088
Net Opening Outstanding Claim	10831204	9170574	98447181	91591251	109278385	100761825	7764663	5474017
Incurred Claims Direct	34090636	29762390	35927615	26697555	70018251	56459946	66085223	52227558
Incurred Claims Accepted	189037	135260	553713	2201863	742751	2337123	0	0
Incurred Claims Ceded	2751401	1949445	3753153	3704530	6504554	5653976	5409689	2853280
Net Incurred Claim	31528272	27948205	32728176	25194888	64256448	53143093	60675535	49374279
Commission Direct	5006829	4818280	0	0	5006829	4818280	3719817	3477978
Commission Accepted	1847	2402	0	0	1847	2402	0	0
Commission Ceded	415759	330136	41625	30555	457384	360691	663167	285556
Net Incurred Commission	4592917	4490547	-41625	-30555	4551292	4459991	3056650	3192422
Foreign Taxes	1129	1473	0	0	1129	1473	125	146
Operating Expenses Related to Insurance	8268044	7562660	8794387	6560982	17062430	14123642	11257862	9261630
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	-2728873	-1402629	8485705	10446851	5756832	9044222	-13088392	-16445447





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 GLOBAL

(₹, 000)

Revenue Account Elements	Liability		Personal Accident		Aviation		Engineering	
	CY	PY	CY	PY	CY	PY	CY	PY
Premium Direct	4855804	4465404	3970316	2291549	1245128	1145599	5796590	5812046
Premium Accepted	211424	26500	70213	78986	803144	748563	568115	654943
Premium Ceded	1015580	628009	217324	224121	1207053	1157679	2749006	3093499
Net Premium	4051648	3863895	3823205	2146414	841219	736483	3615699	3373491
Change in Unexpired Risk Reserve	-167435	76579	609211	60100	48402	30482	62644	-38597
Net Earned Premium	4219083	3787316	3213994	2086314	792816	706002	3530555	3412088
Profit on Realisation of Investment	315432	256153	111124	82590	82863	79558	314603	243046
Interest Dividend and Rent	432174	458627	152252	147873	113531	142445	431039	435159
Investment Provisions	1344	547	474	176	353	170	1341	519
Total Investment Income	746262	714233	262902	230287	196041	221833	744302	677686
Claims Paid Direct	1430365	1436182	2037878	1498883	208547	522229	2265418	2326819
Claims Paid Accepted	17946	1633	91799	58566	822364	831764	762900	624435
Claims Paid Ceded	64006	75727	110510	84252	149039	320493	834841	890030
Net Claim Paid	1384305	1362088	2019168	1473197	881872	1033500	2193477	2061224
CI O/S Claims Direct	3960339	4500642	1534933	1071574	1472893	1128768	5895069	5395853
CI O/S Claims Accepted	10063	10532	23652	24176	1083809	974527	2102468	1821087
CI O/S Claims Ceded	421516	300011	89132	30388	1559006	875980	3191701	2856455
Net Closing Outstanding Claim	3548886	4211163	1469453	1065362	997695	1227315	4805836	4360485
Op O/S Claims Direct	4254442	4374934	1073551	893045	1128768	1364114	5413891	5236038
Op O/S Claims Accepted	10609	8649	24180	23742	974527	1007317	1832225	1394309
Op O/S Claims Ceded	294515	316213	30393	21920	875980	871091	2864081	2701524
Net Opening Outstanding Claim	3970535	4067370	1067338	894867	1227315	1500340	4382035	3928823
Incurred Claims Direct	1136262	1561889	2499261	1677413	552672	286882	2746596	2486633
Incurred Claims Accepted	17401	3516	91271	59000	931646	798974	1033144	1051214
Incurred Claims Ceded	191007	59524	169250	92721	832066	325381	1162462	1044960
Net Incurred Claim	962657	1505881	2421283	1643692	652252	760476	2617278	2492886
Commission Direct	651928	68472	332452	279671	6686	5950	462623	463130
Commission Accepted	1086	3902	25909	29665	120412	73100	90092	151969
Commission Ceded	51273	54246	33440	21530	48875	45520	402217	467379
Net Incurred Commission	601741	638128	324921	287807	78223	33530	150498	147721
Foreign Taxes	125	186	23	28	73	91	75	100
Operating Expenses Related to Insurance	824121	838532	777655	442523	171107	353595	735448	1207234
Premium Deficiency	0	0	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	2576700	1518823	-46985	-57449	87202	-219858	794058	241833





SEGMENT REPORTING FOR THE PERIOD ENDED 31ST MARCH 2017 GLOBAL

(₹, 000)

Revenue Account Elements	Other Misc		Total Misc		Total Net Global	
	CY	PY	CY	PY	CY	PY
Premium Direct	18464510	7772194	183823017	145390070	215979163	177633101
Premium Accepted	2305771	832948	4579012	3710443	14228046	12490839
Premium Ceded	10149234	1739311	26217466	15502228	44298043	31004841
Net Premium	10621047	6865831	162184563	133598286	185909166	159119098
Change in Unexpired Risk Reserve	41929	139957	7843895	9462577	7761361	9520838
Net Earned Premium	10579119	6725875	154340668	124135708	178147805	149598260
Profit on Realisation of Investment	435578	324042	10367266	7705369	12639735	9560737
Interest Dividend and Rent	596787	580178	14204235	13795997	17317755	17117921
Investment Provisions	1856	692	44176	16462	53859	20426
Total Investment Income	1030509	903528	24527325	21484904	29903631	26658232
Claims Paid Direct	5753957	5247761	132645141	108260493	154097806	130976870
Claims Paid Accepted	306826	745914	2709916	4601271	8994286	10473796
Claims Paid Ceded	963621	1692995	10355005	10921453	17752792	22960849
Net Claim Paid	5097162	4300679	125000052	101940312	145339299	118489818
CI O/S Claims Direct	15216871	6171925	166850450	141911263	217364938	180755718
CI O/S Claims Accepted	2253457	955488	5571838	3842651	17471533	15557033
CI O/S Claims Ceded	9710580	2178824	25289708	12897408	54913596	32885011
Net Closing Outstanding Claim	7759748	4948589	147132580	132856505	179922875	163427740
Op O/S Claims Direct	6183045	5648491	141669543	129700239	180345930	174026375
Op O/S Claims Accepted	956238	1071252	3861496	3563945	15196927	16073162
Op O/S Claims Ceded	2179103	2517976	12880589	12435175	32849970	39593844
Net Opening Outstanding Claim	4960180	4201767	132650450	120829009	162692887	150505693
Incurrd Claims Direct	14787782	5771195	157826048	120471517	191116814	137706213
Incurrd Claims Accepted	1604045	630150	4420258	4879977	11268891	9957667
Incurrd Claims Ceded	8495098	1353844	22764124	11383686	39816418	16252016
Net Incurred Claim	7896730	5047501	139482182	113967808	162569287	131411864
Commission Direct	1120481	1039076	11300816	10772557	15187280	15110668
Commission Accepted	264167	150855	503513	411894	2110710	1869148
Commission Ceded	776499	207658	2432854	1442580	4066607	2942359
Net Incurred Commission	608149	982272	9371475	9741871	13231383	14037456
Foreign Taxes	86	110	1636	2134	5621	5101
Operating Expenses Related to Insurance	2160363	1606376	32988987	27833533	37814666	35152836
Premium Deficiency	0	0	0	0	0	0
Revenue Accounts Result Profit/ (Loss)	944299	-6857	-2976287	-5924733	-5569521	-4350766





Shareholders' and Policyholders' Funds

Basis of Allocation of Investments		₹. in '000 Mar-17	₹. in '000 Mar-16	₹. in '000 Mar-15
Policy Holders Fund				
1	Outstanding Claims including IBNR & IBNER	179120779	163260588	149884564
2	Unearned Premium Reserve	87883611	80122250	70601412
3	Premium Deficiency Reserve	0	0	0
4	Catastroph Reserve	0	0	0
5	Other Liabilities Net of Other Assets :			
Other Liabilities :				
i	Premium Received in Advance	1702021	1428840	1702021
ii	Unallocated Premium	0	0	0
iii	Balance due to other Insurance Companies	34446693	23823437	20089058
iii	Due to other Members of Pool such as Third Party Pool, Terrorism Pool etc.	0	0	0
iv	Sundry Creditors (Due to Policyholders)	1387541	1408118	1198547
	Total Other Liabilities	37536255	26660395	22989626
Other Assets :				
i	Outstanding Premium	6247791	1846083	1810756
ii	Due from other entities carrying insurance business including Reinsurers	57513660	52879343	47715102
iii	Balance with Pool such as Third Party Pool, Terrorism Pool etc.	0	0	0
	Total Other Assets	63761451	54725426	49525858
	Other Liabilities Net of Other Assets :	-26225196	-28065031	-26536232
	Total Net Policyholders Funds	240779194	215317807	193949744
			66.83%	66.3134%
Share Holders Funds				
	Share Capital	2000000	2000000	2000000
	Reserves & Surplus	119701630.2	111737192.8	104496504.9
	Total	121701630.2	113737192.8	106496504.9
	Less :			
	Revaluation Reserves	0	0	0
	Fair Value Change Account	0	0	0
	Accumulated Losses	0	0	0
	Miscellaneous Expenditure	2213400	4357760	0
	Total Net Share Holders Fund	119488230.2	109379432.8	106496504.9
			33.17%	33.6866%
	Total Funds	360267424.2	324697239.8	300446248.9



**Schedule 16****Significant Accounting Policies and Notes forming part of
Financial Statements as on 31st March, 2017****16 A. SIGNIFICANT ACCOUNTING POLICIES****1. Accounting Convention**

The financial statements are drawn up in accordance with the provisions of IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and circulars and/or guidelines issued in the context of preparation of the financial statements, and the provisions of the Companies Act 2013. The said statements prepared on historical cost convention and on accrual basis, comply with accounting standards specified under Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and conform to practices prevailing in the General Insurance industry except as otherwise stated.

2. Use of Estimates

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

3. Revenue Recognition**A. Premium**

Premium income is recognized on assumption of risk. A reserve for Unearned Premium for each segment, representing that part of the recognized premium attributable to the succeeding accounting periods, calculated on time apportionment basis is created. This forms part of the un-expired risk reserves.

Reinsurance premium is recognized as per the terms of the reinsurance contracts. A reserve for Unearned Premium for each segment, representing that part of the recognized reinsurance premium attributable to the succeeding accounting periods, is also calculated on time apportionment basis. This also forms part of the un-expired risk reserves.

Any subsequent revisions to or cancellations of premium are recognised in the year in which they occur.

B. Commission

Commission Income on Reinsurance cessions is recognized as income in the year in which reinsurance Premium is ceded.

Profit Commission under reinsurance treaties wherever applicable, is recognized on accrual. Any subsequent revisions of profit commission are recognized for in the year in which final determination of the profits are intimated by reinsurers.

4. Premium Received in Advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

5. Reserves for Un-expired Risk(s)

Unearned premium reserve is computed in accordance with the guidelines issued by IRDAI as under :

- a) Marine Hull : 100% of the net written premium during the preceding twelve months;





b) other segments:

- i) in respect of domestic business : on the basis of 1/365th method on the unexpired period of respective policies, and
- ii) in respect of foreign business : 50% of the net premium in respect of all business other than Marine hull.

6. Reinsurance Accepted

Reinsurance returns have been incorporated for the advices received up to the date of finalisation of accounts or on estimation basis.

7. Reinsurance Ceded

Reinsurance cessions are accounted for on the basis of actuals or on estimation basis.

8. Premium Deficiency

Premium deficiency is calculated where the sum of expected claims costs, related expenses and maintenance costs exceed the related unearned premium. The premium deficiency is recognized as per IRDA guidelines and forms part of unexpired risk reserves.

9. Acquisition Costs

Acquisition costs are primarily related to acquisition of insurance contracts and have been expensed in the year in which they are incurred.

10. Incurred Claims

Claims are recognized as and when reported.

Claims Paid (net of recoveries including salvages retained by the insured, includes interest paid towards claims and all expenses directly incurred in relation to their assessment) are charged to respective revenue accounts.

Claims outstanding at the year-end are provided based on survey reports, information provided by clients and other sources, past experience and applicable laws and includes:

- In respect of direct business, claim intimations received up to the year-end.
- In respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalisation of accounts or on estimation basis
- Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER). The said provisions have been determined by Appointed Actuary, which is in accordance with accepted actuarial practice, requirement of IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the master circulars issued in the context of preparation of financial statements and stipulations of the Institute of Actuaries of India.

All the outstanding claims for direct business are provided net of estimated salvage (if any).

In respect of motor third party claims where court summons have been served on the Company without adequate policy particulars to establish liability of the Company, provision is made as under:

- 100% of the estimated liability, where such claims are outstanding for more than one year.
- 1/3rd of the estimated liability, for all such claims for which court summons have been served on the Company during the year.

Interest on motor accident claims tribunal (MACT) claims is provided based on the prevailing trends in the motor third party claim awards.



**11. Salvage and Claim Recoveries**

Recoveries of claims and sale proceeds on disposal of salvage are accounted on realisation and credited to claims.

12. Provisions, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of obligation. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

13. Loans and Investments

A Loans are measured at historical cost subject to impairment. Company reviews the quality of its loan assets and provides for impairment if any.

B Short Term Money Market Instruments such as Commercial Papers and Certificate of Deposits are shown at their discounted value and the difference between the acquisition cost and the redemption value is apportioned on time basis and recognised as accrued income.

C Contracts for purchase and sale of shares, bonds, debentures are accounted for as "Investments" as on date of transaction.

D The cost of investments includes premium on acquisition, brokerage, transfer stamps, transfer charges, Securities Transaction Tax and is net of incentive/ fee if any, received thereon.

E Dividend income (other than interim dividend) is accounted for as income in the year of declaration. Dividend on shares/interest on debentures under objection/pending delivery is accounted for on realisation. Interim dividend is accounted for where the amount is received/credited in the account of the Company upto 31st March.

Dividend on foreign investments is accounted on gross basis.

Interest Income is recognized on accrual basis on time proportion except income on non-performing assets is recognized on realization.

Amount received towards compensation for future loss of interest is recognised as income only to the extent attributable to the accounting year and balance is kept in interest received in advance account for apportionment in the relevant year.

F Profit/Loss on realisation of investments is computed by taking weighted average book value as cost of investments except:

- In respect of Government Securities/Debentures/Bonds under Trading Portfolio, the profit/loss is worked out specific scrip wise.
- In respect of Government Securities sold from Investment Portfolio, the profit/loss is worked out on First In First Out Basis (FIFO).

G The Company follows the prudential norms prescribed by the Insurance Regulatory and Development Authority as regards asset classification, recognition of income and provisioning pertaining to loans/advances/debentures.

H Investment in government securities, debt securities and redeemable preference shares are considered as held till maturity and valued at cost. However, in terms of Insurance Regulatory and Development Authority Regulations, the premium paid at the time of acquisition of securities is amortised over the residual period of maturity.

I i. Investments in Mutual Funds are valued at Net Asset Value (NAV) as at the Balance Sheet date and the difference between cost/book value and NAV is accounted in Fair Value Change Account. In case of non-availability of latest NAV as at the balance sheet date, investment is shown at cost.





- ii. Investments in Venture Funds are valued at cost. If there is reduction in NAV, the same is charged to revenue and book value of investments is reduced accordingly. Any appreciation in NAV to the extent of loss earlier recognised, is taken to revenue. Wherever Net Asset Value as on Balance Sheet date is not available, latest available Net Asset Value is considered.

- J (i) In accordance with IRDA/F&I/INV/CIR213/10/2013 dated 30th October 2013 for Valuation of Equity Portfolio, National Stock Exchange (NSE) is considered as Primary Stock Exchange and Bombay Stock Exchange (BSE) as Secondary Stock Exchange.

Investment Portfolio in respect of equity/ equity related instruments is segregated into actively traded and thinly traded as prescribed by Insurance Regulatory and Development Authority Regulations. The shares are treated as actively traded or thinly traded by taking into consideration total traded transactions in the month of March on NSE and BSE.

- (ii) Actively traded equity/ equity related instruments are valued at the closing price at NSE or if the scrip is not traded at NSE, the scrip is valued at the closing price at BSE. The difference between weighted average cost and quoted value is accounted in Fair Value Change Account

Exchange traded funds are valued as applicable to Equity portfolio. The difference between the weighted average cost and the quoted value is accounted in Fair Value Change Account.

- (iii) Investments in equity shares of companies outside India are valued at the last quoted price at the stock exchange of the respective country.

- K Investment in thinly traded equity shares and unlisted equity shares are shown at cost. However, difference between cost and break-up value is provided for as diminution in value. If the break-up value is negative then the provision is made for the entire cost. Further, if the published accounts of an unlisted Company are not available for last three accounting years ending on or immediately preceding the date of working out diminution in value, then the provision is made for the entire cost.

- L In case of investment in listed and unlisted equity/equity related instruments/preference shares where the value has been impaired on or before 31.03.2000, the historical/weighted average costs are not available with the Company. As a consequence, the carrying value of such investments as on 01.04.2000 is presumed to be the historical/ weighted average cost .

- M Investments in listed equity/ equity related instruments/ preference shares made in those companies, which are making losses continuously for last 3 years and where capital is eroded, are considered to have impairment in value. Further, if the published accounts of a Company are not available for last three accounting years ending on or immediately preceding the date of working out impairment in value, it is presumed that the value of investment is fully impaired and is written off to a nominal value of Re.1/- per Company.

- I. Valuation of such investments is done as under:

- i) In respect of actively traded equity shares: - least of cost price, market price or break-up value provided break-up value is positive. However, if the break-up value is negative the nominal value is taken at Re. 1/- per Company.
- ii) In respect of other than actively traded equity shares: - lower of cost price or break-up value provided break-up value is positive. However, if break-up value is negative the nominal value is taken at Re.1/- per Company.
- iii) In respect of preference shares, if the dividend is not received for the last three years, such preference shares are written down to a value which will bear to its face value, the same proportion as value taken/ which would have been taken for writing down equity shares bears to the face value of the equity shares. However, if the equity shares are written down to Re.1/- per Company, preference shares are also written down to a nominal value of Re.1/- per Company.

- II. Once the value of investment in listed equity/ equity related instruments/ preference shares of a company is impaired in accordance with the above mentioned policy, the reversal of such impairment





losses are not recognised in revenue/ profit and loss till such company achieves a positive net worth as per the latest available published accounts immediately preceding the date of working out the reversal. However, in respect of investments where the historical or weighted average cost is not available as mentioned in Policy No.13-L, reversal of impairment loss is carried out and recognised only to the extent of impairment losses accounted after 31st March 2000.

- N REVERSE REPO transactions are treated as secured lending transactions and accordingly disclosed in the financial statements. The difference between total consideration at the 1st and 2nd leg of the transaction is treated as interest income.
- O "Collateralized Borrowing and Lending Obligation" (CBLO), which is issued at discount to the face value, is treated as money market instrument as per Reserve Bank of India Notification. Discount earned at the time of lending through CBLO is shown as income, which is apportioned on time basis.
- P Un-realised gains / losses arising due to changes in the fair value of actively traded listed equity shares other than enumerated in Accounting Policy 13-L are taken under the head "Fair Value Change Account" and on realisation reported in profit and loss account.

Pending realisation, the credit balance in the "Fair Value Change Account" is not available for distribution.

14. Foreign Currency Transactions

- Reinsurance operations:
Revenue transactions of re-insurance in foreign currencies are converted at the average of buying and selling rates of exchange of each quarter in which they are accounted.
Monetary assets and liabilities of re-insurance in foreign currencies are converted at the closing rate.
- Foreign operations:
 - As per the Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates", foreign branches/agencies are classified as 'non-integral foreign operations'.
 - The assets and liabilities (including contingent liabilities), both monetary and non-monetary of the non-integral foreign operations are translated at the closing rate,
 - Income and expense items of the non-integral foreign operations are translated at the average exchange rate of the year.
 - Depreciation on fixed assets held in foreign branches and agencies is provided on written down rupee value at the year-end at the rates and in the manner as stated in "Depreciation" policy stated herein below.
 - All resulting exchange difference is accumulated in a foreign currency translation reserve until the disposal of the net investment.
 - Foreign investments transactions during the year are converted at the exchange rates prevailing as on the last day of the month of purchase or sale.
 - Other assets and liabilities in foreign currencies are converted at the average of buying and selling rates of exchange prevailing at the year end.
 - The exchange gain/loss due to conversion of foreign currencies other than relating to non-integral foreign operations is taken to revenue(s) account and profit and loss account as applicable.

15. Fixed Assets

- Fixed assets are stated at cost less depreciation.
- The fixed assets are assessed for any indication that an asset is impaired. In case the recoverable amount of the fixed assets is lower than its carrying amount a provision is made for the impairment loss.





- Lease payment for assets taken on operating lease are recognized as an expense in the revenue(s) accounts and profit and loss account over the lease term.

16. Depreciation

- Depreciation on fixed assets is charged on Straight Line Method (SLM) as per the useful life prescribed under Schedule II of the Companies Act 2013 and the residual value of the asset shall be Re 1/-.
- Lease hold properties are amortised over the lease period.

17. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation. The same is amortised over a period of four years on straight line basis. Software development / acquisition costs, except those which meet the recognition criteria as laid down in Accounting Standard 26 (AS 26), are charged to revenue. Any additions to already existing assets are amortised prospectively over the remaining residual life of the assets.

18. Employee Benefits

Employee benefits comprise of both defined contributions and defined benefit plans.

Provident Fund is a defined contribution plan. Company's contribution towards provident fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further, Company has no further obligation beyond the periodic contributions.

Pension, Gratuity and Leave Encashment are defined benefit plans. The Company has incorporated a Pension Trust and Gratuity Trust. The Company's liability towards pension, gratuity and leave encashment is accounted for on the basis of an actuarial valuation done at the year end and is charged to revenue accounts and profit and loss account as applicable except in case of pension for the employee who joined from 1st April 2010 which is defined contribution plan wherein contribution towards pension fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further, Company has no further obligation beyond the periodic contributions.

All short term employee benefits are accounted on undiscounted basis during the accounting period based on service rendered by the employees

19. Expenses of Management-Basis of Apportionment

Expenses of management including provision for bad and doubtful debts and exchange gain/loss, are apportioned to the revenue accounts on the basis of net premium

20. Segregation of Policy Holders and Share Holders funds:

Investment Assets includes Policyholders as well as Share holders. Investment assets are bifurcated at the end of each quarter between Shareholders and Policyholders at 'fund' level on notional basis in accordance with IRDAI guidelines.

21. Income from Investments -Basis of Apportionment

Investment Income (net of expenses) is apportioned between Share holders' Fund and Policyholders' Fund in proportion to the balance of these funds at the beginning of the year.

Investment income (net of expenses) belonging to Policyholders is further apportioned to Fire, Marine and Miscellaneous segments in proportion to respective technical reserves balance at the beginning of the year .

Policyholders fund for this purpose consist of Estimated liability for outstanding claims including IBNR and IBNER, unexpired risk reserve (URR), Premium deficiency (if any), catastrophe reserve (if any) and Other Liabilities net of Other Assets (relating to policy holders) as per the guidelines of IRDAI. The residual consists of the Shareholder's fund.





22. Taxation.

- Tax expense for the year, comprises current tax and deferred tax.
- Current income tax expense comprises taxes on income from operations in India and in foreign jurisdiction. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.
- Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax on future income. Accordingly, MAT is recognized as an asset in the Balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.
- A provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted tax rates.
- Deferred tax assets are recognized only if there is a virtual certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.
- Refund of income tax is accounted on realisation basis.





16 B. NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON 31ST MARCH, 2017

1. The accounts incorporate Audited accounts of Branches in Fiji, Thailand and unaudited accounts of Canada (run off) which are prepared on calendar year basis as per the requirement of local laws. There are no material changes for the quarter January 2017 to March 2017. The accounts of 2 run off Agencies (Colombo and Saudi Arabia) and one representative office at Myanmar have been incorporated on the basis of unaudited accounts.
2. Land include book value ₹ 243.41 Lakhs (Previous Year ₹ 173.78 Lakhs) out of which deed of conveyance yet to be executed is ₹ 124.97 lakhs (Previous year ₹ 51.92 Lakhs) and lease deed expired is ₹ 118.44 lakhs (Previous Year ₹ 118.44 lakhs). Building include book value ₹ 2066.95 lakhs (Previous Year ₹ 3073.84 lakhs) where registration formalities are yet to be completed/title deeds are not presently available. One property of ₹ 3.42 lakhs (Previous Year ₹ 3.42 lakhs) is not in the possession of the Company. Properties worth ₹ 163.61 lakhs (Previous Year ₹ 102.70 lakhs) are yet to be registered in the name of Company. The exercise of compilation of precise data in this respect is under progress.
3. The changes made during the year in the accounting policies followed along with the consequential impact are as follows:
 - i. Expenses of management including provision for bad and doubtful debts and exchange gain/loss, are apportioned to the revenue accounts on the basis of net premium which was hitherto being done on the basis of gross direct premium plus reinsurances accepted. Consequent to this change revenue surplus in case of Fire and Marine Insurance Revenue Accounts is higher by ₹ 16780.72 lakhs and ₹ 1262.16 lakhs respectively with corresponding decrease of ₹ 18042.88 lakhs in case of Misc insurance revenue account for the year. There is no impact on the profit for the year.
 - ii. In accordance with the approval received from IRDAI, Unearned Premium Reserve (UPR) in respect of domestic business towards segments other than Marine hull, has been computed on the basis of 1/365th method on the unexpired period of respective policies as against 50% of the net premium in each segment. Consequent to this change, the revenue deficit in case of Fire insurance revenue account is higher by ₹ 15401.61 lakhs, in case of Marine revenue account the surplus is higher by ₹ 3997.92 lakhs and in case of Misc Revenue Accounts the deficit is lower to the extent of ₹ 64492.43 lakhs. Profit before tax for the year is higher to the extent of ₹ 53088.73 lakhs consequent to this change in the accounting policy. The company is in the process of implementing systems and procedures to implement the IRDAI guidelines regarding following the 1/365 method in case of foreign business and therefore the impact of pending compliance is presently not ascertainable. Systems and procedures in domestic business in few segments are also being strengthened to compute the UPR based on data input in the accounting systems of the company. In the opinion of the management the impact of pending compliances is not expected to be material.
 - iii. Investment assets are bifurcated between Shareholders and Policyholders at 'fund' level on notional basis in accordance with IRDAI guidelines. Composition of policy holders fund is also done in accordance with the IRDAI guidelines issued during the year. Consequent to this change, income from investments allocated to policyholders is lower to the extent of ₹ 8288.99 lakhs with corresponding increase in income allocated to shareholders.
 - iv. Securities Transaction Tax which was being treated as an expense of the year of acquisition of investment, is now added to the cost of investments. Consequent to this change, profit before tax for the year is higher by ₹ 64.64 lakhs with corresponding increase in cost of investments.
4. As certified by the Custodian, securities are held by the Company as on 31.03.2017. Variations and other differences which include excess of market value as per the Custodian as compared to books amounting to ₹ 418.66 lakhs are being reconciled, while shortages have been provided for. In the opinion of the management, these are not expected to have a material impact on the state of affairs of the Company.
5. (a) Provision for standard assets @ 0.40% amounting to ₹ 3730.22 lakhs (Previous Year ₹ 3358.97 Lakhs) has been made as per Insurance Regulatory and Development Authority guidelines on (i) Term Loan (PFPS/DTL), (ii) Debentures, (iii) Infrastructure Investments, (iv) Bonds/Debentures of HUDCO,





(v) Bonds/Debentures of Institutions accredited to NHB, (vi) Govt. Guaranteed Bonds/Securities (vii) Housing and Fire fighting Loans to State Governments and (ix) Debtors.

- (b) The amount of total corporate debt/loans etc. restructured under various categories are being compiled During the year, the Company has undertaken restructuring as under:

Sr. No.	Particulars	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
	Total amount of assets subjected to restructuring	844.24	1277.77
	The break up of the same is given here under:		
(i)	Total amount of standard assets subjected to restructuring	268.62	Nil
(ii)	Total amount of sub-standard assets subjected to restructuring	NIL	Nil
(iii)	Total amount of doubtful assets subjected to restructuring	575.62	1277.77
	Total	844.24	1277.77

- (c) Details of Non Performing Assets (NPA)

- I) Details of Non Performing Assets (NPA)

Sr. No.	Particulars	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
(i)	Opening Balance	11501.04	13484.46
(ii)	Additions During the Year	NIL	Nil
(iii)	Reductions During the Year	632.82	1983.42
(iv)	Closing Balance	10868.22	11501.04
	Percentage of Net NPAs to Net Assets	0.00%	0.00%

- II) Details of Provisions on NPA (other than standard provisions)

Sr. No.	Particulars	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
(i)	Opening Balance	11501.04	12248.71
(ii)	Incremental Provision During the Year	-632.82	-747.67
(iii)	Closing Balance	10868.22	11501.04

6. Short-term Investments (Schedule - 8) in debentures and other guaranteed securities include those, which are fully repayable in the next year. As regards those debentures and other guaranteed securities, which have fallen due and remain unpaid as on 31.03.2017, they have been shown under long-term investments, as their realisability is unascertainable. However, necessary provision, wherever required, has been made.
7. There are following cases of non-compliance/contravention of Insurance Regulatory & Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002:
 - i) Segmental reporting in respect of Public and Product Liability is not disclosed separately for foreign business.
 - ii) The provisions against loans ₹6286.35 Lakhs (PY ₹6805.12 Lakhs) have been shown in Schedule 14 "Provisions". Consequently, the "Loans" shown in the Schedule 9 have not been reduced to the extent of provisions made against thereof, as required by Part V of Schedule B of the Regulation.
8. As required IRDAI circular no. IRDA/F&I/CIR/CMP/174/11/2011 dated 14.11.2010 age wise analysis of unclaimed amount of the policyholders amounting to ₹ 13875.41 lakhs (PY ₹14081.18 lakhs) at the year ended March 31,2017 representing the excess premium collected, refund premium and the amount lying in





stale cheque accounts and unclaimed amount towards claim is as under :

(₹ In Lakhs)

Particulars	Total Amount	1-6 Months	7-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	Beyond 36 Months
Claims settled but not paid to policyholders / insured due to any reason except under litigation from insured / policyholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sum due to the insured / policyholders on maturity or otherwise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Any excess collection of premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	6785.77	1241.17	420.32	327.27	307.23	389.60	266.37	3833.82
Cheques issued but not en-cashed by the policyholder / insured	7089.64	652.12	456.53	334.01	255.78	318.23	255.26	4817.71

Further as per the IRDA circular no IRDA/F&A/CIR/CPM/134/07/2015 Company has invested the above said total amount of ₹ 13875.41 lakhs in fixed deposit and interest accrued on such Fixed deposit has been allocated to the fund amount.

9. Prior period items have been included in the respective heads amounting to ₹223.12 lakhs (Debit) [Previous Year ₹765.43 lakhs (Debit)] consisting of the following:

Sr. No.	Particulars	₹ In Lakhs			
		Current Year		Previous Year	
		Debit Amount	Credit Amount	Debit Amount	Credit Amount
1	Premium	-	-	-	10.15
2	Commission	-	-	-	-
3	Claims	-	-	-	-
4	Expenses	223.12	-	778.72	-
5	Income	-	-	-	3.14
	Total	223.12	-	778.72	13.29

10. Disclosure as required by Accounting Standards (AS) :

A. Related party disclosures as per Accounting Standard 18

1. Company's related parties

a) Subsidiaries:

- The New India Assurance Co. (T & T) Ltd. – Port of Spain, Trinidad & Tobago.
- The New India Assurance Co. (S.L.) Ltd. – Free Town, Sierra Leone.
- Prestige Assurance Plc. – Nigeria



**b) Associates:**

- i) India International Insurance Pte. Ltd., Singapore.
- ii) Health Insurance TPA of India Ltd.

c) Key management personnel of the Company:

Name of person	Role/Designation	Upto
Mr. G. Srinivasan	Chairman cum Managing Director	
Mr. Hemant G. Rokade	Director & General Manager	
Ms. T.L. Alamelu	Director & General Manager	
Mr. Rakesh Kumar	Chief Marketing Officer	
Ms. Tajinder Mukherjee	General Manager – Chief Underwriting Officer	
Ms. S.N. Rajeswari	General Manager, Financial Advisor & CFO	
Mr. Sharad Ramnarayanan	Appointed Actuary	
Mr. S. Shankar	Chief Risk Officer	
Mr. S. Harinath	Chief Investment Officer	
Ms. Jayashree Nair	Company Secretary & Chief Compliance Officer	
Mr. V. Hari Srinivas	General Manager, Financial Advisor & CFO	May 2016
Mr. P. Nayak	Director & General Manager	May 2016

2. Transactions with related parties:

Sr. No.	Nature of Relationship	Nature of Transaction	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
i)	Subsidiaries	Management fees earned (NIA T&T)	47.96	49.20
		Premium on Reinsurance Accepted	412.38	403.00
		Commission on Reinsurance Accepted	(104.83)	(98.00)
		Claims Paid	(139.87)	(169)
		Dividend income received (NIA T&T)	250.19	289.72
		Loan Installments & Interest Received Prestige Assurance Nigeria	NIL	673.35
		Interest Accrued Prestige Assurance Nigeria	30.44	13.09
ii)	Associates	Premium on Reinsurance Accepted	723.94	1566.85
		Commission on Reinsurance Accepted	(123.73)	(301.67)
		Claims Paid	(952.37)	(1219.00)
		Dividend income received from IIL Singapore	480.77	351.75
		Additional Equity Infusion in Health TPA of India	NIL	(1187.50)
		TPA fees paid to Health TPA of India	92.60	0
iii)	Key Management Personnel	Salary and allowances	224.14	221.72

B. Disclosure as per Accounting Standard 20-“Earnings Per Share”:

Particulars	Current Year	Previous Year
Net profit attributable to shareholders (₹ In Lakhs)	100793.15	82869.21
Weighted average number of equity shares issued	200000000	200000000
Basic and diluted earnings per share of ₹10/- each (₹)	50.40	41.43

The company does not have any outstanding diluted potential equity share. Consequently, the basic and diluted earnings per share of the company remain the same.



**C. Taxation:****Income Tax:**

- i) Provision for Tax - Current Tax shown in Profit & Loss Account includes ₹ 1039.72 lakhs (Previous year ₹ 2609 lakhs) relating to foreign taxes.
- ii) The Income Tax Assessments of the Company have been completed up to assessment year 2014-15. Major disputed demands are in respect of profit on sale of investment and related exemptions from tax liability. Based on the decisions of the appellate authority and the interpretations of the relevant provisions, the Management is of the opinion that the demands are likely to be either deleted or substantially reduced and accordingly no provisions have been made for the same.

A demand of ₹27778.53 lakhs was raised for the Assessment year 2014-15. The same was set off against the refund arising out of ITAT order for AY 2007-08.

- iii) The company has received ₹1914.51 lakhs towards income tax pertaining to Assessment Year 2004-05, without details of such refund as to the component of interest, if any, The company is following up for the same with the Income Tax Department. Pending receipt of such details, the amount of ₹1914.51 lakhs has been adjusted against advance tax/self-assessment tax.
- iv) During the year interest on income tax refund amounting to ₹ 13259.22 lakhs has been recognised on realisation basis.
- v) Deferred Taxes:

The major components of temporary differences resulting into deferred tax assets are as under:

Particulars	Current Year	Previous Year
	(₹ in Lakhs)	(₹ in Lakhs)
Fixed Assets	(849.48)	(661.03)
Leave Encashment	23093.23	22519.43
Estimated Disallowance u/s 40(a)(ia)	34.61	34.61
Gratuity	-	-
LTS	-	-
Total	22278.36	21893.01

Notes:

- (1) A sum of ₹ 565.10 lakhs (Previous year ₹ 4925.91 lakhs) has been credited to the Profit & Loss Account on account of increase in deferred assets during the year.
- (2) On prudence basis recognition of deferred tax asset on unabsorbed depreciation and carry forward losses has not been given effect in the books of account.
- (3) Above deferred tax asset does not include impact of deferred tax in respect of operations of foreign branches.
- (4) The company continues to recognise the deferred tax asset as hitherto, as in the opinion of the management there are sufficient evidences to establish the virtual certainty of realisation of the DTA from the future taxable profits.



**D. Accounting Standard 15 – Employee Benefits**

The details of employee benefits for the period on account of gratuity, superannuation which are funded defined employee benefit plans and encashment which is an unfunded defined benefit plan are as under.

(₹ in Lakhs)

I	Components of employer expense	Pension		Gratuity		Encashment	
		C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
		Funded				Unfunded	
A	Current Service Cost	10,138	8,554	2,110	2,234	1,048	1,270
B	Interest Cost	29,272	24,924	9,084	7,698	5,199	3,853
C	Expected Return on Plan Assets	(24,922)	(23,814)	(7,640)	(7,501)	-	-
D	Curtailment Cost/(Credit)	-	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-	-
F	Past Service Cost	-	-	-	-	-	-
G	Actuarial Losses/(Gains)	462	61,867	(941)	15,644	3,979	20,919
H	Amortised/(Deferred) Cost	17,094	(34,880)	4,349	(8,698)	-	-
I	Total expense recognized in the statement of Profit and Loss Account	32,044	36,651	6,962	9,377	10,226	26,042

II.	Actual Returns for the year 31.03.2017	26,290	26,195	8,230	8,250	-	-
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III	Net Asset/(Liability) recognized in Balance Sheet at 31.03.2017						
A	Present Value of Defined Benefit Obligation	3,51,235	3,72,896	1,07,582	1,13,689	66,728	65,070
B	Fair Value of Plan Assets	3,25,159	3,17,484	1,00,619	95,617	-	-
C	Status (Surplus/Deficit)	(26,076)	(55,412)	(6,963)	(18,072)	(66,728)	(65,070)
D	Un recognized Past Service Cost	17,785	-	4,350	-	-	-
E	Net Asset / (Liability) recognized in Balance Sheet	(8,291)	(55,412)	(2,613)	(18,072)	(66,728)	(65,070)

IV	Change in Defined Benefit Obligation during the year ended 31.03.2017						
A	Past value of the Defined Benefit Obligation at the beginning of the period	3,72,896	3,14,692	1,13,689	96,835	65,070	48,650
B	Current Service Cost	10,138	8,554	2,110	2,234	1,048	1,270
C	Interest Cost	29,272	24,924	9,084	7,698	5,199	3,853
D	Curtailment Cost/(Credit)	-	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-	-
F	Plan Amendments	-	-	-	-	-	-
G	Acquisitions	-	-	-	-	-	-
H	Actuarial Losses/(Gains)	1,830	64,248	(351)	16,393	3,979	20,738
I	Asset Loss / (Gain)	-	-	-	-	-	-
J	Benefits Paid	(62,901)	(39,522)	(16,950)	(9,471)	(8,568)	(9,441)
K	Present Value of Defined Benefit Obligation at the end of the period	3,51,235	3,72,896	1,07,582	1,13,689	66,728	65,070

V	Change in the Fair Value of Assets during the year ended 31.03.2017						
A	Plan Assets at the beginning of the period	3,17,484	3,00,674	95,617	94,335	-	-
B	Acquisition Adjustment	-	-	-	-	-	-
C	Expected return on Plan Assets	24,922	23,814	7,640	7,501	-	-
D	Asset (Losses)/Gains	1,368	2,381	590	749	-	-





E	Actual Company Contributions	44,286	30,137	13,722	2,503	-	-
F	Benefits Paid	(62,901)	(39,522)	(16,950)	(9,471)	-	-
G	Plan Assets at the end of the period	3,25,159	3,17,484	1,00,619	95,617	-	-

VI	Transitional Provisions						
	(Income)/Expense to be recognised	320.44	-	69.62	-	-	-

VII	Actuarial Assumptions						
A	Discount Rate (%)	7.22%	7.85%	7.51%	7.99%	-	-
B	Expected Return on Plan Assets (%)	7.22%	7.85%	7.51%	7.99%	-	-
C	Rate of escalation in salary	3.50%	3.50%	3.50%	3.50%	-	-

VIII	Major Category of Plan Assets as % of the Total Plan Assets as at 31.03.2017						
A	Government Securities	47.29%	47.37%	47.02%	50.37%	-	-
B	High Quality Corporate Bonds	43.25%	41.95%	43.25%	38.74%	-	-
C	Others	9.46%	10.68%	9.73%	10.90%	-	-

IX	Basis used to determine the expected rate of return on plan assets	The expected rate of return on plan assets is based on the current portfolio of the assets, investment strategy and the market scenario, in order to protect capital and optimize returns within acceptable risk parameters, the plan assets are well diversified.					
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E. Accounting for Lease(AS-19)

The Company's Office Premises and Residential flats for employees are obtained on operating lease and are renewable / cancellable at mutual consent. There are no restrictions imposed by lease agreements. Lease terms are based on individual agreements. Significant leasing arrangements are in respect of operating lease for premises. Aggregate lease rentals amounting to ₹ 11313.03 lakhs (PY ₹ 9586.77 lakhs) in respect of obligation under operating lease are charged to Revenue Account.

F. Impairment of Assets(AS-28)

During the year, the Company has reviewed its fixed assets for impairment. In the opinion of the management no provision for impairment loss is considered necessary. However Impairment assessment as required by AS-28 would be done in due course.

11. The pay revision of the officers and employees has been carried out by the Public Sector General Insurance Companies in the year 2015-16 consequent upon the Gazette Notification dated 23.01.2016 issued by the Ministry of Finance. As a result the additional liability of Pension and Gratuity on account of pay revision has been arrived at ₹ 50247.00 lakhs and ₹13047.00 lakhs respectively as per the actuarial valuation carried out.

In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire additional liability of ₹50247.00 lakhs for pension and ₹13047.00 lakhs for gratuity is required to be charged to the Profit & Loss Account. However, vide circular communications ref IRDA/F&A/CIR/ACTS/077/04/2016 dated 18/04/2016 and IRDA/F&A/LR/001/2016/6 dated 19.04.2016, IRDA has permitted the amortisation of expenditure relating to additional liability towards gratuity and pension over a period of three years commencing from FY 2015-16. Accordingly the company has recognised the additional liability and an amount of ₹ 16749.00 lakhs for pension and ₹ 4349.00 lakhs for gratuity is charged to the revenue in the current year and balance amount remaining to be amortised in next year is ₹ 16749.00 lakhs and ₹4349.00 lakhs for pension and gratuity respectively.

The Pension Scheme 1995 has been extended to PSU officers and staff members who joined until 31.03.2010. By virtue of the Gazette Notification no. 233(E), 234(E) and 235(E) dated 23.01.2016. The incremental liability towards pension arising out of the above extension has been arrived at ₹1727.00 lakhs based on actuarial valuation.





In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire amount of ₹1727.00 lakhs for pension is required to be charged to the Profit & Loss Account. However IRDA vide Circular ref IRDA/F&A/CIR/ACTS/077/04/2016 dated 18.04.2016 has permitted the amortisation of expenditure relating to the additional liability over a period of five years commencing from FY 2015-16 and accordingly an amount of ₹ 345.40 lakhs is charged to the revenue in the current year and balance amount remaining to be amortised in next three years is ₹ 1036.20 lakhs for pension.

12. The management is currently in the process of identifying enterprises which have been providing goods and services to the Company which qualify under the definition of medium and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such Micro, Small, and Medium Enterprises as at 31st March 2017 has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
13. "Foreign Exchange Reserve Account" has decreased by ₹19047.08 lakhs (Debit) due to depreciation of foreign currency under the following heads (Previous Year ₹18859.69 lakhs (Credit) consisting of the following.

(₹ In Lakhs)					
Sr	Particulars	Current Year		Previous Year	
		Debit Amount	Credit Amount	Debit Amount	Credit Amount
1	Head Office Account	19047.08	-	-	18859.69
2	Outstanding claims	-	-	-	-
3	Fixed assets	-	-	-	-
	Total	19047.08	-	-	18859.69

14. Penalty

As per IRDAI Circular No 005/IRDA/F&A/CIR/MAY-09 dated May 07, 2009, below table mentions the details of the penalty imposed by various regulators and Government authorities during the year:

Sr. No.	Authority	Non-Compliance/ Violation	₹ in Lakhs		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority / TAC	NIL	Nil	Nil	Nil
2	Service Tax Authorities	Nil	Nil	Nil	Nil
3	Income Tax Authorities	Nil	Nil	Nil	Nil
4	Any other Tax Authorities	Nil	Nil	Nil	Nil
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	Nil	Nil	Nil
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	Nil	Nil	Nil	Nil
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	Nil	Nil	Nil
8	Securities and Exchange Board of India	Nil	Nil	Nil	Nil
9	Competition Commission of India	Refer note below	20	20	Nil
10	Any other Central/State/Local Government / Statutory Authority	Nil	Nil	Nil	Nil

Note: The Company received an order from Competition Commission of India imposing a penalty of ₹ 25107 lakhs in 2015-16. The Company contested against the order in Competition Appeal Tribunal and the Tribunal awarded penalty of ₹20 lakhs as against ₹25107 lakhs of CCI order. The penalty was paid in January 2017. CCI has appealed against the order of Tribunal at the Apex Court and the case has been admitted in the Apex Court in March 2017.





15. The Company has created Equalization Reserve in respect of London Branch as required by the UK Regulations. This reserve is not available for distribution as Dividend. During the year, the reserve has been decreased by 1.6 million GBP and the closing reserve as at the year end stood at ₹ 8900.18 lakhs (GBP 11 million). Further, in accordance with Oman Insurance Company Law, company has created contingency reserve for claims for Muscat agency for 5 million Omani Riyal. During the year the same has been revalued at ₹ 8422.07 lakhs due to currency fluctuation.
16. a) The balance appearing in the amount due to/ due from persons or bodies carrying on insurance business including reinsurance business are subject to confirmation/ reconciliation and consequential adjustments if any. In case of co insurance balances, the reconciliation and settlement process to clear balances is in progress. During the year, the company has settled the receivable balances of ₹106596 lakhs and payable balances of ₹ 110899 lakhs. As on March 31,2017, there is a net Dr. balance of ₹35695 lakhs with Pradhan Mantri Fasal Bima Yojna (PMFBY) comprising ₹ 131597 lakhs (Dr.) and ₹ 95902 lakhs (Cr.); and net debit balance of ₹14539 lakhs, with other than PMFBY comprising ₹83121 lakhs (Dr.) and ₹68582 Lakhs (Cr.) The net balance outstanding as on March 31,2016 were ₹ 48951 lakhs (Dr.) comprising of ₹134302 lakhs (debit) and ₹85351 lakhs (Cr.) There was no PMFBY business during the previous year. As regards Reinsurance balances, RI Balances reconciliation is an ongoing process though confirmations of balances are done at regular intervals, not on a specific cut-off date (i.e. Annual Closing date). Further the company has maintained provision of ₹10414.56 lakhs upto 31.03.2017 towards doubtful debts as a prudent measure.
- b) The reconciliation of various accounts relating to inter office accounts related to domestic and foreign operations amounting to ₹ 25192.25 lakhs (Dr.), (P.Y. ₹21974.58 lakhs) (Dr.), Control Accounts, old balances appearing in legacy software, sundries and suspense, few Bank Accounts, loans, other assets and other liabilities; etc. is under progress. The impact of the above, if any, on the financial statements are unascertainable.
17. Reinsurance acceptance transactions pertaining to the year have been booked for advices received up to 19th April 2017.
18. Receipts & Payments Account/(Cash Flow Statement) have been drawn under "Direct Method" as required by Part I of Schedule B of the regulation. However the same is subject to reconciliation of various inter office and other accounts including few Bank Accounts.
19. The Company is in the process of updating the fixed asset register with reference to full particulars, quantitative details and location thereof at certain locations. Further, physical verification of fixed assets in respect of some locations is also stated to be in progress.
20. In accordance with the provisions of the Companies Act, 2013, the Company had to spend an amount of ₹2696.81 lakhs for the financial year 2016-17 towards Corporate Social Responsibility. During the year an amount of ₹1894.79 lakhs has been spent against the total sanction of ₹2107.11 lakhs. The balance could not be spent as various projects are in the completion stage.
21. Unexpired premium reserve at revenue segment level is found to be sufficient to cover the expected claim cost as certified by the appointed actuary and the claims related expenses as estimated by the management. Hence, no premium deficiency reserve is required to be provided during the year.
22. Demonetization- Specified Bank Notes

The presentation of financial statements of the company is governed under the provisions of IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and circulars and/ or guidelines issued there under and hence, the provisions of Section 129(1) of the Companies Act,2013 with regard to applicability of Schedule III of the Companies Act,2013 are not applicable to the company and hence the disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30th March 2017 is not applicable to the Company.





23. At Navsari Divisional Office under Surat Regional Office of the company, transactions comprising un-authorised/illegally authorised claims having been posted in the accounting system and paid, were observed during the year in case of one of the dealers relating to the financial years 2011-12 to 2016-17. As per the investigations carried so far, an amount of ₹ 152.00 lakhs (approx) has been identified to have been excess paid in this respect. The detailed investigations to assess the total amount of such irregularities is in progress and the management has taken appropriate action against the concerned dealer/employees. An amount of ₹ 80.79 lakhs has since been recovered and recovery of balance amount identified is in progress. No provision in this regard has been considered necessary since, in the opinion of the management the excess payments are considered recoverable in full.
24. The Board of Directors at their meeting have proposed a dividend of 155% of the paid up capital of the Company subject to the approval of the members at the ensuing Annual General Meeting. In terms of revised Accounting Standard (AS-4) Contingencies and Events occurring after the Balance Sheet date as notified by the Ministry of Corporate Affairs through the amendments to the Companies (Accounting Standard) Rules 2016, the Company has not appropriated proposed dividend (including tax) amounting to ₹ 37311.92 lakhs from the Profit & Loss Account for the year ended on March 31, 2017.
25. Previous year figures have been regrouped/ rearranged, wherever necessary.



**16 C. Disclosures Forming Part Of Financial Statements**

(₹ in Lakhs)

Sr. No	Particulars	Current Year	Previous Year
1	The details of contingent liabilities are as under:		
(a)	Partly-paid up investments	4,688.72	283.22
(b)	Underwriting commitments outstanding	-	-
(c)	Claims, other than those under policies, not acknowledged as debts	835.28	2,413.08
(d)	Guarantees given by or on behalf of the Company	170.94	88.62
(e)	Statutory demands/liabilities in dispute not provided for	267,734.23	239,294.66
(f)	Reinsurance obligations to the extent not provided for in accounts	-	-
(g)	Others (matters under litigation) to the extent ascertainable	4,747.94	26,240.53
(h)	Potential Tax Liability towards distribution received from Venture Fund	1,540.41	1,540.41
2	The details of encumbrances to the assets of the Company are as under:		
(a)	In India	5,123.33	3,744.13
(b)	Outside India	-	221.76
3	Commitment made and outstanding for Loans Investments and Fixed Assets	13,161.63	51.52
4	Claims, less reinsurance, paid to claimants:		
(a)	In India	1,254,574.91	1,004,556.91
(b)	Outside India	198,818.08	180,341.26
5	Claim liabilities where claim payment period exceeds four years	-	-
6	Amount of claims outstanding for more than six months (Gross Indian)	8,64,304.22	647,149.85
	No. of Claims	162,425	147,006
	Amount of claims outstanding for less than six months (Gross Indian)	266,036.25	368,017.59
	No. of Claims	141,933	152,222
	Total amount of claims outstanding (Gross Indian)	1,130,340.47	1,015,167.44
	Total No. of claims outstanding	304,358	299,228
7	Premiums, less reinsurances, written from business		
(a)	In India	1,576,548.63	1,290,998.76
(b)	Outside India	282,543.04	300,192.22
8	The details of contracts in relation to investments, for		
	Purchases where deliveries are pending	37.20	-
	Sales where payments are overdue	-	-
	Sales where deliveries are pending	2,200.72	481.86
9	Amount of Claims settled and remaining unpaid for a period of more than six months as on balance sheet date are as under:		
	No. of claims	-	-
10	Investments made in accordance with statutory requirements are as under:		
(a)	In India- Under Sec.7 of Insurance Act 1938	-	
(b)	Outside India- Statutory Deposits under local laws	81,529.06	55,357.38
11	Segregation of investments into performing and non-performing investments where NPA Provision is required as per IRDA Guidelines is as under:		
	Performing (Standard) Investments	932,554.73	839,742.61
	Non Performing Investments	10,868.22	11,501.04
	Total Book Value (Closing Value)	943,422.95	851,243.65

12 All significant accounting policies forming part of the financial statements are disclosed separately.

13 Operating expenses relating to insurance business are apportioned to the revenue account on the basis of Net premium.





- 14 In compliance of section 197 of the Companies Act 2013, the total managerial remuneration paid to its Directors including Managing Director, Whole Time Directors, and Managers in respect of Financial Year 2016-17, does not exceed 11% of Net Profit of the Company.
- 15 The Company does not have Real Estate Investment Property.
- 16 Sector-wise break-up of gross direct premium written in India is as under:

Sector	Current Year			Previous Year		
	₹ in Lakhs	Percentage	Number of Policies/lives	₹ in Lakhs	Percentage	Number of Policies/lives
Rural	292535.00	15.30	466219 (Policies)	246614.57	16.28	4639139 (Policies)
PMFBY	104642.00	5.47	355474	0.00	0.00	
Social	53094.60	2.78	254418431 (Lives)	53717.80	3.55	74161700 (Lives)
Others	1461197.63	76.44		1214618.51	80.18	
Total	1911469.23	100.00		1514950.88	100.00	

17 Performance Ratios

i) Gross Premium Growth Rates :

SEGMENT	Gross Direct Premium (₹ in Lakhs)						Growth Rate (%)					
	Current Year			Previous Year			Current Year			Previous Year		
	Indian	Foreign	Global	Indian	Foreign	Global	Indian	Foreign	Global	Indian	Foreign	Global
Fire	182428.22	72725.21	255153.43	169183.62	85768.37	254951.99	7.83	-15.21	0.08	2.85	4.77	3.49
Marine Cargo	34175.55	3749.99	37925.54	33490.88	4577.26	38068.15	2.04	-18.07	-0.37	1.85	-11.85	-0.02
Marine Hull	26827.04	1655.45	28482.49	28262.43	1147.74	29410.17	-5.08	44.24	-3.15	-16.00	-78.68	-24.64
Marine Total	61002.59	5405.44	66408.03	61753.31	5725.00	67478.31	-1.22	-5.58	-1.59	-7.18	-45.87	-12.48
Motor	760067.17	126341.64	886408.81	617728.51	125171.09	742899.60	23.04	0.94	19.32	15.12	38.99	18.55
Personal Accident	37551.35	2151.81	39703.16	21078.34	1837.15	22915.49	78.15	17.13	73.26	13.57	-6.86	11.61
Aviation	12451.28	0.00	12451.28	11455.99	0.00	11455.99	8.69	0.00	8.69	9.79	0.00	9.79
Engineering	49935.58	8030.32	57965.90	49409.80	8710.66	58120.46	1.06	-7.81	-0.27	18.28	-11.71	12.55
Health	595961.06	12536.83	608497.88	484785.31	11347.86	496133.16	22.93	10.48	22.65	22.99	49.64	23.49
Liability*	35284.02	13274.02	48558.04	29780.24	14873.80	44654.04	18.48	-10.76	8.74	12.63	-1.41	7.53
Others	176787.96	7857.14	184645.10	69775.75	7946.20	77721.94	153.37	-1.12	137.57	12.66	-21.27	7.91
Misc sub Total	1668038.42	170191.75	1838230.17	1284013.94	169886.76	1453900.70	29.91	0.18	26.43	17.81	26.16	18.73
Grand Total	1911469.23	248322.40	2159791.63	1514950.88	261380.13	1776331.01	26.17	-5.00	21.59	14.69	15.10	14.75

*Liability includes Workmens' compensation

ii) Gross Direct Premium to Net Worth Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Gross Direct Premium	2159791.63	1776331.01
b. Net Worth	1102328.26	982193.21
Gross Direct Premium to Net Worth Ratio (Times) (a/b)	1.96	1.81

iii) Growth Rate of Net Worth:

(₹ in Lakhs)

	Current Year	Previous Year	Growth (CY)	Growth (PY)	Growth % (CY)	Growth % (PY)
Net Worth	1102328.26	982193.21	120135.05	9970.07	12.23	1.03





iv) Net Retention Ratio : Indian

Segment	Current Year (₹ in Lakhs)			Previous Year (₹ in Lakhs)		
	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)
Fire	191209.97	89360.27	46.73	177757.43	86842.87	48.85
Marine Cargo	34111.55	27412.93	80.36	33676.73	25054.00	74.40
Marine Hull	27406.33	1758.40	6.42	29849.21	8426.36	28.23
Marine Total	61517.88	29171.32	47.42	63525.94	33480.36	52.70
Motor	764666.22	725748.89	94.91	629890.31	585527.08	92.96
Personal Accident	38031.38	35977.14	94.60	21462.30	19328.14	90.06
Aviation	13122.21	1096.72	8.36	11797.74	288.91	2.45
Engineering	53120.06	28671.98	53.98	53405.00	26002.28	48.69
Health	595961.06	540936.19	90.77	484785.31	455155.29	93.89
Liability*	37424.02	28009.01	74.84	29920.40	24239.11	81.01
Others	198245.35	97577.10	49.22	76542.87	60134.73	78.56
Misc sub Total	1700570.30	1458017.03	85.74	1307803.93	1170675.54	89.51
Grand Total	1953298.16	1576548.63	80.71	1549087.30	1290998.76	83.34

*Liability includes Workmens' compensation

Net Retention Ratio : Foreign

Segment	Current Year (₹ in Lakhs)			Previous Year (₹ in Lakhs)		
	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)
Fire	156829.71	111361.13	71.01	159881.08	126976.37	79.42
Marine Cargo	4550.24	4353.68	95.68	5294.99	5080.91	95.96
Marine Hull	3944.00	2999.62	76.06	3774.81	2827.63	74.91
Marine Total	8494.24	7353.30	86.57	9069.80	7908.53	87.20
Motor	127946.04	113095.54	88.39	126694.32	114091.49	90.05
Personal Accident	2373.91	2254.92	94.99	2243.05	2136.00	95.23
Aviation	7360.50	7315.47	99.39	7143.89	7075.93	99.05
Engineering	10526.99	7485.01	71.10	11264.90	7732.62	68.64
Health	12536.83	12536.83	100.00	11347.86	11347.86	100.00
Liability*	13248.26	12507.47	94.41	14998.64	14399.84	96.01
Others	9457.46	8633.37	91.29	9508.55	8523.58	89.64
Misc sub Total	183449.99	163828.60	89.30	183201.21	165307.31	90.23
Grand Total	348773.94	282543.04	81.01	352152.09	300192.22	85.25

*Liability includes Workmens' compensation

Net Retention Ratio: Global

Segment	Current Year (₹ in Lakhs)			Previous Year (₹ in Lakhs)		
	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)
Fire	348039.68	200721.41	57.67	337638.51	213819.24	63.33
Marine Cargo	38661.79	31766.60	82.17	38971.00	30134.39	77.33
Marine Hull	31350.33	4758.02	15.18	33624.03	11253.99	33.47
Marine Total	70012.12	36524.62	52.17	72595.74	41388.89	57.01
Motor	892612.26	838844.43	93.98	756584.64	699618.56	92.47
Personal Accident	40405.29	38232.05	94.62	23705.35	21464.14	90.55
Aviation	20482.71	8412.19	41.07	18941.63	7364.83	38.88
Engineering	63647.05	36156.99	56.81	64669.90	33734.91	52.16
Health	608497.88	553473.02	90.96	496133.16	466503.15	94.03
Liability*	50672.28	40516.48	79.96	44919.04	38638.95	86.02
Others	207702.81	106210.47	51.14	86051.42	68658.31	79.79
Misc sub Total	1884020.29	1621845.63	86.08	1491005.14	1335982.86	89.60
Grand Total	2302072.10	1859091.66	80.76	1901239.39	1591190.98	83.69

*Liability includes Workmens' compensation





v) Net Commission Ratio to Net Written Premium

SEGMENT	Net Commission (₹ in Lakhs)						Net Commission Ratio (%)					
	Current Year			Previous Year			Current Year			Previous Year		
	Indian	Foreign	Global	Indian	Foreign	Global	Indian	Foreign	Global	Indian	Foreign	Global
Fire	2647.13	31413.30	34060.42	-1630.41	39786.01	38155.60	2.96	28.21	16.97	-1.88	31.33	17.84
Marine Cargo	3411.60	1071.83	4483.42	3507.67	1281.03	4788.70	12.45	24.62	14.11	14.00	25.21	15.89
Marine Hull	-306.34	361.57	55.23	-416.40	427.96	11.55	-17.42	12.05	1.16	-4.94	15.13	0.10
Marine Total	3105.25	1433.40	4538.66	3091.27	1708.99	4800.25	10.64	19.49	12.43	9.23	21.61	11.60
Motor	20957.72	24555.20	45512.92	18616.81	25983.10	44599.91	2.89	21.71	5.43	3.18	22.77	6.37
Personal Accident	2602.37	646.85	3249.21	2222.47	655.60	2878.06	7.23	28.69	8.50	11.50	30.69	13.41
Aviation	-395.46	1177.69	782.23	-379.70	715.00	335.30	-36.06	16.10	9.30	-131.43	10.10	4.55
Engineering	-406.00	1910.98	1504.98	-732.70	2209.92	1477.21	-1.42	25.53	4.16	-2.82	28.58	4.38
Health	27639.18	2927.32	30566.50	29112.52	2811.70	31924.22	5.11	23.35	5.52	6.40	24.78	6.84
Liability*	3148.04	2869.37	6017.41	2740.83	3640.45	6381.28	11.24	22.94	14.85	11.31	25.28	16.52
Others	4095.51	1985.98	6081.49	7831.28	1991.45	9822.72	4.20	23.00	5.73	13.02	23.36	14.31
Misc sub Total	57641.36	36073.39	93714.75	59411.49	38007.21	97418.71	3.95	22.02	5.78	5.07	22.99	7.29
Grand Total	63393.75	68920.09	132313.83	60872.35	79502.21	140374.56	4.02	24.39	7.12	4.72	26.48	8.82

*Liability includes Workmens' compensation

vi) Expense of Management to Gross Direct Premium Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Gross Direct Premium	2159791.63	1776331.01
b. Expense of Management	378202.87	351580.00
c. Direct Commissions	151872.80	151106.68
Expense of Management to Gross Direct Premium Ratio (%) ((b+c)/a)	24.54	28.30

vii) Expense of Management to Net Written Premium Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Written Premium	1859091.66	1591190.98
b. Expense of Management	378202.87	351580.00
c. Direct Commissions	151872.80	151106.68
Expense of Management to Net Written Premium Ratio (%) ((b+c)/a)	28.51	31.59

viii) Net Incurred Claims to Net Earned Premium:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Earned Premium	1781478.05	1495982.60
b. Net Incurred Claims	1625692.87	1314118.64
Net Incurred Claims to Net Earned Premium Ratio (%) (b/a)	91.26	87.84

ix) Combined Ratio:

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Indian	Foreign	Global	Indian	Foreign	Global
a. Net Earned Premium	1490196.42	291281.63	1781478.05	1242164.82	253817.78	1495982.60
b. Net Incurred Claims	1428407.37	197285.51	1625692.87	1120208.22	193910.41	1314118.64
c. Net Written Premium	1576548.63	282543.04	1859091.66	1290998.76	300192.22	1591190.98
d. Expense of Management	359284.00	18918.87	378202.87	334447.00	17133.00	351580.00
e. Net Commission	63393.75	68920.09	132313.83	60872.35	79502.21	140374.56
Combined Ratio (%) (b/a+(d+e)/c)	122.66	98.82	118.72	120.80	108.59	118.76



**x) Technical Reserves to net Premium Ratio:**

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Written Premium	1859091.66	1591190.98
b. Reserves for Unexpired Risks	878836.11	801222.50
c. Premium Deficiency Reserves	0.00	0.00
d. Reserves for Outstanding Claims (Including INBR & IBNER)	1791207.79	1632605.88
e. Total Technical Reserves (b+c+d)	2670043.90	2433828.38
Technical Reserves to Net Premium Ratio (Times) (e/a)	1.44	1.53

xi) Underwriting Balance Ratio:

(₹ in Lakhs)

Segment	Current Year			Previous Year		
	Net Earned Premium	Underwriting Profit	UW Balance Ratio (Times)	Net Earned Premium	Underwriting Profit	UW Balance Ratio (Times)
Fire	191868.71	-78995.97	-0.41	207325.70	-41085.22	-0.20
Marine Cargo	34948.67	1282.36	0.04	30919.39	1210.95	0.04
Marine Hull	11253.99	-1981.79	-0.18	16380.43	3880.66	0.24
Marine Total	46202.66	-699.43	-0.02	47299.82	5091.61	0.11
Motor	739007.39	-119705.61	-0.16	649999.69	-67282.30	-0.10
Personal Accident	32139.94	-3098.87	-0.10	20863.14	-2877.36	-0.14
Aviation	7928.16	-1088.39	-0.14	7060.02	-4416.90	-0.63
Engineering	35530.55	497.56	0.01	34120.88	-4358.53	-0.13
Health	580818.63	-169083.09	-0.29	424181.45	-194103.33	-0.46
Liability*	42190.83	18304.39	0.43	37873.16	8045.90	0.21
Others	105791.19	-862.10	-0.01	67258.75	-9103.85	-0.14
Misc sub Total	1543406.68	-275036.12	-0.18	1241357.08	-274096.37	-0.22
Grand Total	1781478.05	-354731.53	-0.20	1495982.60	-310089.97	-0.21

xii) Operating Profit Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Earned Premium	1781478.05	1495982.60
b. Underwriting Profit	-354731.53	-310089.97
c. Investment Income - Policy Holders	299036.00	266582.00
d. Operating Profit (b+c)	-55695.53	-43507.97
Operating Profit Ratio (%) (d/a)	-3.13	-2.91

xiii) Liquid Assets to Liabilities Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Short Term Investments	242075.53	217375.05
b. Short Term Loans	0.00	0.00
c. Cash & Bank Balances	801917.55	708274.41
d. Total Liquid Assets (a+b+c)	1043993.08	925649.46
e. Policy Holders Liabilities	2670043.90	2433828.38
Liquid Assets to Liabilities Ratio (Times) (d/e)	0.39	0.38



**xiv) Net Earnings Ratio:**

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Premium	1859091.66	1591190.98
b. Profit After Tax	100793.31	82869.21
Net Earnings Ratio (%) (b/a)	5.42	5.21

xv) Return on Net Worth Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Worth	1102328.26	982193.21
b. Profit After Tax	100793.31	82869.21
Return on Net Worth Ratio (%) (b/a)	9.14	8.44

xvi) Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Available Solvency Margin (ASM)	1113468.47	917778.92
b. Required Solvency Margin (RSM)	507353.03	398661.91
ASM to RSM Ratio (Times) (a/b)	2.19	2.30

xvii) NPA Ratio

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Total Investment Assets	2932276.89	2618055.85
b. Gross NPA	10868.22	11501.04
c. Net NPA	0.00	0.00
Gross NPA Ratio (%)	0.37	0.44
Net NPA Ratio (%)	0.00	0.00

18 Summary of Financial Statements

(₹ in Lakhs)

No	Particulars	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
1	Gross Direct Premium	2159791.63	1776331.01	1548035.95	1372760.87	1187348.80
2	Net Earned Premium #	1781478.05	1495982.60	1331529.12	1119687.46	945063.91
3	Income from Investments(Net)@	299036.00	266582.00	258948.65	213926.78	186008.87
4	Other income (Prem Deficiency)	0.00	0.00	0.00	3519.41	0.00
5	Total Income	2080514.05	1762564.60	1590477.77	1337133.65	1131072.78
6	Commissions (net incl Brokerage)	132313.83	140374.56	128387.08	117260.59	84316.79
7	Operating Expenses	378202.87	351579.38	306060.01	263034.94	237409.00
8	Net Incurred Claims	1625692.87	1314118.64	1118803.56	938095.49	814307.00
9	Change in Unexpired Risk Reserves	77613.61	95208.38	62351.30	88174.09	82352.71
10	Operating Profit/Loss	-55695.52	-43507.97	37227.12	18742.63	2524.11
	Non Operating Result					
11	Total Income under Shareholders' A/c	172081.26	134063.07	140402.67	110699.00	98598.00
12	Profit/(Loss) Before Tax	116385.74	90555.10	177629.79	129442.41	101122.11
13	Provision for Tax	15592.54	7686.61	34507.34	20544.00	16756.00
14	Net Profit/(Loss) after Tax	100793.20	82868.49	143122.45	108898.41	84366.11





No	Particulars	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
	Miscellaneous					
15	Policy Holders' Account :					
	Total Funds	2670043.90	2433828.38	2204859.76	2040960.26	1730647.29
	Total Investments	1944392.81	1689955.05	1681833.14	1407751.02	1191693.13
	Yield on Investments	15.40	14.61	15.68	15.17	14.46
16	Shareholders' Account :					
	Total Funds	1102328.26	982193.21	972223.14	862129.70	773736.33
	Total Investments	987884.08	928100.7988	799478.67	693369.90	596561.87
	Yield on Investments	15.40	14.61	15.68	15.17	14.46
17	Paid up Equity Capital	20000.00	20000.00	20000.00	20000.00	20000.00
18	Net Worth	1102328.26	982193.21	972223.14	862129.70	773736.33
19	Total Assets	6917281.06	6288006.57	6171962.53	5309531.00	4537552.41
20	Yield on Total Investments(%)	15.40	14.61	15.68	15.17	14.46
21	Earning per Share (₹)	50.40	41.43	71.56	54.45	42.18
22	Book value per Share(₹)	551.16	491.10	486.11	431.06	386.87
23	Total Dividend	0.00	25000.00	30000.00	22000.00	17000.00
24	Dividend per Share (₹)	0.00	12.50	15.00	11.00	8.50

Net of Re-insurance

@ Net of losses

19 Age wise analysis of outstanding claims as on 31.03.2017 (Gross Indian excluding provision for IBNR and IBNER)

Segment	Less than 90 Days		90 Days to 6 Months		6 Months to 1 Year		1 Year to 2 Years	
	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)
Fire	598	27698.38	845	38618.66	702	103438.26	349	42290.39
Marine Cargo	1050	3655.81	429	1619.20	483	2586.84	128	4803.44
Marine Hull	36	3700.28	42	38841.42	52	4046.78	30	5763.96
Motor OD	46351	23255.42	6466	7759.09	4531	5955.08	664	1358.37
Motor TP	7941	33722.60	7901	35256.10	19113	83248.22	26420	116536.13
Health Insurance	62166	23688.44	731	275.51	2349	2441.29	421	855.90
Liability	330	1283.96	191	870.94	314	3951.82	268	2569.45
Personal Accident	1594	4061.98	327	885.08	290	669.40	69	311.27
Engineering	779	4301.81	372	3378.86	380	19233.99	113	11178.77
OTHERS	2356	7507.35	1428	5655.37	1611	9752.41	495	10180.71
Total	123201	132876.04	18732	133160.21	29825	235324.11	28957	195848.39





Segment	2Years to 3 Years		3 Years to 5 Years		5 Years and above		Total	
	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)
Fire	154	21202.64	190	10269.17	529	43481.13	3367	286998.62
Marine Cargo	107	7794.89	99	1417.25	245	2905.81	2541	24783.25
Marine Hull	24	5140.16	26	959.33	57	4844.45	267	63296.37
Motor OD	377	676.32	605	949.44	1034	1586.11	60028	41539.85
Motor TP	17048	76080.12	21225	83108.22	56843	146726.96	156491	574678.35
Health Insurance	214	157.17	271	228.66	269	235.30	66421	27882.26
Liability	214	711.39	357	2104.02	626	3168.45	2300	14660.02
Personal Accident	39	108.94	51	118.58	97	406.04	2467	6561.29
Engineering	35	2802.86	44	4579.14	54	439.16	1777	45914.60
OTHERS	266	1821.50	650	2518.40	1893	6590.12	8699	44025.86
Total	18478	116496.00	23518	106252.21	61647	210383.52	304358	1130340.47

- 20** Investment income (Net of Expenses) is apportioned between Revenue Accounts and Profit and Loss Account in proportion to the balance in the shareholders funds and policyholders' funds at the beginning of the year. The same is further apportioned to Fire, Marine and Miscellaneous Revenue Accounts in proportion to the technical reserve balance at the beginning of the year.
- 21** The UPR at a revenue segment level was found to be sufficient to cover the expected claims cost as certified by the Appointed Actuary and the claim related expenses as estimated by the management. Hence no premium deficiency reserve is required to be provided.

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017





CONSOLIDATED REPORTS & SCHEDULES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

Consolidated Reports





Management Report on Consolidated Financial Statements

There are no specific points to be disclosed on Financial Statements of subsidiaries incorporated outside India in terms of IRDAI regulations. Therefore, Management Report related to standalone accounts of the Holding Company alone are as under:

1. We confirm that the registration granted by the Insurance Regulatory & Development Authority is valid during the year. The same is renewed for the year 2017-18.
2. We confirm that all known and undisputed dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and transfer of shares during the year are in accordance with the statutory or regulatory requirements.
4. We confirm that the funds of the holders of policies issued in India have not been directly or indirectly invested outside India.
5. We confirm that the required solvency margins have been maintained.
6. We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and to the best of our belief the assets set forth in the Balance Sheet are shown in the aggregate amounts not exceeding their realizable or market value under the several headings- "Loans", "Investments", "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "Other Account".
7. The overall risk exposure for the risks accepted by us is limited to ₹ 200 crores PML per risk except in respect of certain risks in which cases there are exposures of ₹500 crores PML per policy. The same has been approved by the Board. We have made adequate reinsurance arrangements to mitigate the losses arising out of any major claims.
8. We have overseas operations in 28 countries. The foreign branches have their own reinsurance arrangements to protect their exposure. Over and above there is an excess of loss protection available, which takes care of the exposure risk of the Company as a whole, including domestic and foreign branches.

The foreign branches/agencies generate enough revenue in local currencies to meet their liabilities arising out of their operations. Hence there is no major currency risk in the countries we operate.

As regards the country risk, by and large all the countries in which we operate are politically stable. We also have well defined acceptance limits for foreign operations, which limits our exposure in these countries.
9. (a) Ageing of claims indicating the trends in average claims settlement time during the preceding five years is furnished below in the format required:

Age-wise Summary of Claims settled during the year 2012-13, 2013-14, 2014-15, 2015-16 & 2016-17

Age band	No. of Claims	Amount (₹ in lakhs)
30 Days	5999483	1380340.415
30 Days to 6 Months	4512531	1674449.456
6 Months to 1 Year	639593	536891.0913
1 Year to 5 Years	492245	1017424.478
More than 5 Years	97989	211512.129
Grand Total	11741841	4820617.57





- (b) Details of payment to individuals, firms, companies and organizations in which directors are interested is required to be disclosed as per Management Report to be furnished in the following format:

No.	Name	Entity in which he is interested	Interested as	Amount of payments during the financial year (₹ In lakhs)
	NIL	NIL		NIL

10. We certify that the investments have been valued as per the Accounting Regulations of the Insurance Regulatory and Development Authority and shown in the balance sheet.
11. All investment assets are reviewed periodically and assets are classified into performing and non-performing based on IRDA norms.
12. It is hereby confirmed:
 - (i) That in preparation of financial statements, the applicable accounting standards, principles and policies have been followed, except amortisation of additional actuarial liability for Gratuity and Pension as per I.R.D.A. circular no. IRDA/F&A/CIR/ACT/077/04/2016 dated 18.04.2016 and IRDA/F&A/LR/001/2016/6 dated 19.4.2016
 - (ii) That the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating loss of the Company for the year except as mentioned in Para 12 (i) above.
 - (iii) That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 and Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
 - (iv) That the management has prepared the financial statements on a going concern basis.
 - (v) That the management has ensured that the internal audit system commensurate with the size and nature of business exists and is operating effectively.

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial
Officer

T. L. Alamelu
Director

Hemant Rokade
Director

G. Srinivasan
Chairman-cum-
Managing Director

Place: Mumbai
Date: 3rd May 2017





R. Devendra Kumar and Associates
Chartered Accountants
205, Blue Rose Industrial Estate,
Near Petrol Pump,
Western express highway
Borivali (E), Mumbai-400066

A. Bafna & Co.
Chartered Accountants
A-603 Dynasty Business Park, Adjacent to
Chakala J B Nagar Metro Station,
A K Road, Andheri (East), Mumbai-400 059

NBS & Co.
Chartered Accountants
14/2, Western India House
Sir. P.M.Road,
Fort
Mumbai – 400 001

INDEPENDENT AUDITORS' REPORT

To

The Members of

The New India Assurance Company Limited

Report on the Consolidated Financial Statements:

We have audited the accompanying consolidated financial statements of The New India Assurance Company Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the consolidated Revenue Accounts of Fire, Marine and Miscellaneous Insurance Business (collectively known as Consolidated Revenue Accounts, the Consolidated Profit & Loss Account, the Consolidated Receipt and Payments Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013, The Insurance Act 1938, and for the Accounting Principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 and orders or direction issued by the Insurance Regulatory and Development Authority (hereinafter referred to as "The Act, Rules and Regulations") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates 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 respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, Rules and Regulations for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, Rules and Regulations, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.





An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

1. *In case of subsidiary companies, where the accounts are made and maintained in accordance with International Financial Reporting Standards (IFRS) as required under the local laws of the respective country, during the process of consolidation, accounting adjustments have been made to align the accounts of the company to conform to the accounting policies followed by the company however there are material differences in respect of certain items as stated in Significant Accounting Policies para (1), proportion of these items to which different accounting policies have been applied, is not ascertained.*
2. *Note No 2 and 3 regarding consolidation of accounts of subsidiary companies and one of the associate have been prepared on calendar year basis and have been combined as such, there by intra group balances have not been eliminated in full as required under the provisions of AS-21 on consolidated financial statements issued by the ICAI. The precise impact of which is not ascertained.*
3. *Balances due to/from persons or bodies carrying on Insurance Business including reinsurers and balances of Inter office accounts, control accounts, few bank accounts, certain loans and other accounts at certain offices are pending for reconciliation/confirmation and consequential adjustments. (Refer Note 19 of Notes to accounts, in schedule 16B), effect of which, if any, is not ascertainable and cannot be commented upon.*
4. *Overall impact of the above Para 1 to 3 and the consequential effects on the consolidated Revenue Accounts, Consolidated Profit and Loss Account and the assets, liabilities and reserves and surplus as stated in the Consolidated Balance Sheet as at 31st March 2017 are not ascertainable.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2017, and their consolidated profit and consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following Notes to Accounts:

- a) Note No. 6(ii) in Schedule 16 B, regarding recognition of Reserve for Unexpired Risk by 1/365 method as per the approval of IRDAI in case of domestic business while the implementation of systems and procedures to compute the same in case of Foreign business in accordance with 1/365 method is pending and systems in case of domestic business are being strengthened.
- b) Note No. 10 in Schedule 16 B regarding pending compliance of Insurance Regulatory and Development Authority (IRDAI) Regulations in respect of segment disclosure of Public and Product liability of Foreign business and netting of provisions in case of Loans.





- c) Note No. 14 in Schedule 16 B, regarding deferment of expenditure relating to additional liability towards pension and gratuity on account of pay revision to the extent of ₹ 16749.00 lakhs and ₹4349.00 lakhs respectively and pension liability of ₹1036.20 lakhs towards extended pension scheme, pursuant to the deferment permitted by the IRDAI.
- d) The Company's internal control systems specially in area of data input and validation in softwares, including internal audit, requires strengthening

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets of ₹18,944.91 lakhs as at 31st March 2017, total revenues of ₹ 20921.78 lakhs and net cash out flows amounting to ₹5369.52 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 2242.77 lakhs for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of 2 associates, whose financial statements have not been audited by us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors to the extent these were furnished to us.

Except as stated in the basis for qualified opinion paragraph, our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Companies Act, 2013 and Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 and orders or directions issued by the Insurance Regulatory and Development Authority, we report that:

- a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements.
- b) In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of accounts as required by law relating to preparation of aforesaid consolidated financial statements have been kept, so far as it appears from our examination of those books and reports of other auditors.
- c) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the reports on the accounts of branch offices of the Holding Company, and its subsidiary companies and associate companies have been received and have been properly dealt with by us in preparing this report in the manner considered necessary by us.
- d) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- e) The Consolidated Balance sheet, the Consolidated Revenue Account, the Consolidated Profit and Loss Account and the Consolidated Receipt and Payment Account, dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
- f) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements have been prepared in accordance with the requirements of the Insurance Act, 1938 (4 of 1938), the Insurance Regulatory and Development Act, 1999 (41 of 1999) and the Companies Act, 2013 to the extent applicable and in the manner so required and comply





with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- g) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may not have an adverse effect on the functioning of the Group.
- h) On the basis of written representations received from the directors of Holding Company as on March 31, 2017, and taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors in respect of associate companies incorporated in India, none of the directors of the Holding Company and associate companies incorporated in India is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- i) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accounting policies adopted by the Group and its associates are appropriate and in compliance 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 Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 and orders or directions issued by the Insurance Regulatory and Development Authority.
- j) In respect of Holding Company, the actuarial valuation of liability in respect of Claims Incurred But Not Reported (IBNR) and those Incurred but Not Enough Reported (IBNER) as at 31st March 2017, have been duly certified by the Company's Appointed Actuary and relied upon by us. The Appointed Actuary has also certified that the assumptions considered by him for such valuations are in accordance with guidelines and norms prescribed by the Insurance Regulatory and Development Authority of India (IRDAI) and the Actuarial Society of India in concurrence with the IRDAI.
- k) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the investments have been valued in accordance with the provisions of the Insurance Act, the regulations and orders/directions issued by IRDAI in this regard.
- l) 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) Except for the possible effects of the matter described in basis of qualified opinion paragraph above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its associates incorporated in India – Refer Schedule 16 C to the consolidated financial statements.
 - ii) The Holding Company and associate incorporated in India has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts. There are no outstanding derivative contracts at the Balance Sheet date.
 - iii) In respect of the Holding Company and associate incorporated in India, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- m) Further on the basis of our examination of books and records of the Holding Company and according to the information and explanation given to us and to the best of our knowledge and belief, we certify that:
 - i) We have reviewed the management report attached with the Consolidated Financial Statements and there are no apparent mistakes or material inconsistencies between the management report and the consolidated financial statements.
 - ii) Based on the management representation by officer of the company charged with compliance, nothing has come to our attention which causes us to believe that the company has not complied with the terms and conditions of registration as stipulated by IRDAI, and





- iii) 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 (4 of 1938) relating to the application and investments of the policyholder's funds.
- n) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, none of the subsidiary companies are incorporated in India and as such our separate report relating to the parent company is stated in "**Annexure A**".
- o) Based on the accounts of the Holding Company, as required under section 143(5) of the Companies Act, 2013, we enclose herewith, as per "**Annexure B**", the directions including sub-directions issued by the Comptroller & Auditor General of India, action taken thereon and the financial impact on the accounts and financial statements of the Group.

For R. Devendra Kumar & Associates

Chartered Accountants
Firm Reg. No. 114207 W

Neeraj Golas

Partner
Membership No. 74392

Place: Mumbai
Date: 3rd May, 2017

For A. Bafna & Co.

Chartered Accountants
Firm Reg. No. 003660C

Mukesh Kumar Gupta

Partner
Membership No. 073515

For NBS & Co

Chartered Accountants
Firm Reg. No. 110100W

Pradeep J Shetty

Partner
Membership No. 046940





"Annexure A" referred to in The Independent Auditor's Report of the Consolidated Financial Statements of The New India Assurance Company Limited for the financial year 2016-17.

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of The New India Assurance Company Limited (hereinafter referred to as "the Holding Company") and its associate company which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. Report of branch auditors relating to London Branch has not been received and as such was not available for our review and therefore the internal controls over financial reporting relating to the office have not been considered in this report and cannot be commented upon.
6. Except for the possible effect of non-availability of reports as stated in Note No. 5, we believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our qualified opinion on the Company's internal financial controls system over financial reporting.



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

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

8. 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.

Qualified Opinion

9. According to the information and explanation given to us and based on our audit, the following internal control weaknesses of material nature have been identified as at March 31, 2017:

- Confirmation and reconciliation of various balances relating to co insurers, reinsurers, bank accounts, inter office accounts and other control accounts are pending and are in various stages;
- Inadequate controls are observed with regard to ageing of insurance receivables;

The Company's internal control systems specially in area of data input and validation in various softwares and recording of intimated claims at the offices of the company including internal audit requires strengthening.

Further to above, the management of the Company has appointed external consultant to assess the internal financial control framework in the Company. Though the interim report submitted by the consultant in case of certain processes does not identify any serious issues, the final report is still awaited. Review of design and testing of the risk control matrix at Regional level/HO level, review and testing of entity level controls and final report is yet to be received.

10. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's financial statement will not be prevented or detected on a timely basis.
11. In our opinion, except for the possible effects of the internal control weaknesses described above on the achievements of the objectives of the control criterion, the Company has maintained, in all material respects, adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017, 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".





12. We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2017 consolidated financial statements of the Company and these material weaknesses do not affect our opinion on the consolidated financial statements of the Company except to the extent of our qualification as contained in our separate report on the consolidated financial statements of the company.

Other Matters

13. Our aforesaid reports under Section 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 one associate company, which is company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For R. Devendra Kumar & Associates

Chartered Accountants
Firm Reg. No. 114207 W

Neeraj Golas

Partner
Membership No. 74392

Place: Mumbai
Date: 3rd May, 2017

For A. Bafna & Co.

Chartered Accountants
Firm Reg. No. 003660C

Mukesh Kumar Gupta

Partner
Membership No. 073515

For NBS & Co

Chartered Accountants
Firm Reg. No. 110100W

Pradeep J Shetty

Partner
Membership No. 046940





ANNEXURE "B" Referred to in Para (o) in Report on Other Legal and Regulatory Requirements referred to in Independent Auditors' Report of even date for the Year 2016-17 on the Consolidated Accounts of "The New India Assurance Company Limited".

Sr. No.	Directions under section 143(5) of Companies Act 2013	Action taken and financial impact
1.	Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?	<p>The Company has clear title/lease deeds for freehold and leasehold properties except as under:</p> <p>LAND:</p> <p>1. Leasehold land:</p> <p>[i] One leasehold land book value ₹1.00 is under litigation and SLP is pending with Supreme Court.</p> <p>[ii] 2 leasehold lands book value of ₹118.44 lakhs where lease deed has been expired.</p> <p>[iii] 1 leasehold land consisted of 123 tenements and 6 godowns, book value ₹3.42 lakhs and lease period of 999 years, which is not in possession of the Company.</p> <p>[iv] 1 open plot not registered in the name of the company.</p> <p>2. Freehold Land:</p> <p>4 properties book value ₹124.97 lakhs where conveyance deeds are not available.</p> <p>BUILDINGS:</p> <p>1. 74 properties, book value ₹2066.95 lakhs where title deeds are not presently available/ registration formalities are yet to be completed.</p> <p>2. In case of certain title documents of properties, only photo copies are made available for our verification and as explained by the management originals for the same are available at ROs/DOs.</p> <p>3. 29 properties book value ₹163.61 lakhs which are not registered in the name of the Company.</p> <p>Further, cost as per title deeds is being reconciled with the asset register. Necessary reconciliation is under process.</p>
2.	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons therefore and amount involved.	<p>According to the records and information provided to us, during the year, an amount of ₹12.60 lakhs towards principal and ₹10.27 lakhs towards interest has been waived off in debentures (OCCD) as per one time settlement approved by the Board.</p> <p>The company has written off/down investment in equity/ venture funds to the extent of ₹664.26 lakhs towards impairment and booked loss in Mutual Funds to the extent of ₹317.52 lakhs on account of redemption.</p>
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities?	The Direction is not applicable.





Sub – directions issued by the C&AG of India as applicable to the New India Assurance Company Limited, for the year 2016-17.

- 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.**

The Central Government/State Government securities balances are tallied as per books of accounts. In case of bonds/debentures/equities/preference shares, there are 9 nos. of scrips of bonds/debentures having face value of ₹ 66.33 lakhs, 2 scrips of preference shares having face value of ₹0.26 lakhs, and 9 scrips of equity shares having book value of ₹ 8.36 lakhs, which are in shortage as per the records of custodian vis a vis books of accounts of the Company. There are 104 no. of scrip in equity having market value of ₹418.30 lakhs and one scrip in preference share having face value of ₹0.04 lakhs which are in excess quantity as per custodian records vis a vis books of accounts of the Company. The Company is in the process of taking adequate steps for reconciliation and adjustments wherever required.

The dividend received on such excess shares is shown as liability and taken to income after three years.

- 2. Whether 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? (for OICL, NIAC, NIC and UIIC)**

The Company has initiated various levels of meetings with other PSU Companies for reconciliation and settlement of co-insurance balances. During the year, the company has settled the receivable balances of ₹106596 lakhs and payable balances of ₹ 110899 lakhs. As on March 31, 2017, there is a net debit balance of ₹35695 lakhs with Pradhan Mantri Fasal Bima Yojna (PMFBY) comprising ₹ 131597 lakhs (Dr) and ₹ 95902 lakhs (Cr); and net debit balance of ₹14539 lakhs, with other than PMFBY comprising ₹83121 lakhs (Dr) and ₹68582 Lakhs (Cr.)

The balance appearing in the amount due to/ due from persons or bodies carrying on insurance business including reinsurance business are subject to confirmation/ reconciliation and consequential adjustments if any. In case of co insurance balances, the reconciliation and settlement process to clear balances is in progress.

- 3. During recent de-monetization drive of Government of India (GOI), insurance companies were required to give a discount or credit in case payment was made through digital means. Financial Impact of above initiative may be reported.**

In line with the initiative of the Government of India, the Company is allowing a digital discount of 10% for new policies procured in our customer portal where no intermediaries are allowed, subject to a maximum discount of ₹2000/-. The total digital discount allowed till 31st March 2017 is ₹12,68,171. It is observed that discount is given more than ₹2000 in 14 cases amounting to ₹4280.

- 4. In case the Company is taking part in Pradhan Mantri Fasal Bima Yojana (PMFBY), it may stated whether method of accounting of premium and reported claims are as per conditions of the agreement and agreement/schemes.**





The Company is taking part in the Pradhan Mantri Fasal Bima Yojana. The Company has accounted for the farmers premium, as well as State/Central Government subsidy accordingly along with incidental expenses. During the year company has accounted for the Gross Direct Premium income of ₹104641.70 lakhs.

In respect of PMFBY claims, as claims details are yet to be notified, the Company has considered the claims on estimated basis as per the actuarial valuation.

Method of accounting of premium and claims are as per the conditions of the agreement/schemes.

For R. Devendra Kumar & Associates
Chartered Accountants
Firm Reg. No. 114207 W

For A. Bafna & Co.
Chartered Accountants
Firm Reg. No. 003660C

For NBS & Co
Chartered Accountants
Firm Reg. No. 110100W

Neeraj Golas
Partner
Membership No. 74392

Mukesh Kumar Gupta
Partner
Membership No. 073515

Pradeep J Shetty
Partner
Membership No. 046940

Place: Mumbai
Date: 3rd May, 2017





COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE NEW INDIA ASSURANCE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2017

The preparation of consolidated financial statements of The New India Assurance Company Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 03 May 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of The New India Assurance Company Limited for the year ended 31 March 2017. We conducted a supplementary audit of the financial statements of The New India Assurance Company Limited but did not conduct supplementary audit of the financial statements of The New India Assurance Co. (T & T) Limited — Port of Spain, Trinidad & Tobago, The New India Assurance Co. (S.L) Limited — Free Town, Sierra Leone, Prestige Assurance Plc. - Nigeria, India International Insurance Pte. Ltd., Singapore and

Health Insurance TPA of India Limited for the year ended on that date. Further, section 139(5) and 143(6)(b) of the Act are not applicable to The New India Assurance Co. (T & T) Limited- Port of Spain, Trinidad & Tobago, The New India Assurance Co. (S.L.) Limited Free Town, Sierra Leone, Prestige Assurance PLC - Nigeria and India International Insurance Pte. Ltd., Singapore being entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller and Audit General of India

(Roop Rashi)
Principal Director of Commercial Audit and
ex-officio Member, Audit Board-I, Mumbai

Place : Mumbai
Date : 19 July 2017



**Consolidated Fire Insurance Revenue Account for the year ended 31st March, 2017**

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1. Premium Earned (Net)	1	19324914	20834114
2. Profit on Sale or Redemption of Investments (Policy Holders)	-	1873968	1510825
Loss on Sale or Redemption of Investments (Policy Holders)			
3. Others		0	0
4. Interest, Dividend and Rent (Gross)	-	2590454	2765244
Total (A)		23789336	25110183
1. Claims Incurred (Net)	2	19666289	14931087
2. Commission	3	3346780	3758884
3. Operating Expenses Related to Insurance Business	4	4141805	6500076
4. Premium Deficiency		0	0
5. Others - Foreign Taxes		3985	2968
Amortisation, Write off, Provisions - Investments		7985	3222
Total (B)		27166844	25196237
Operating Profit/ (Loss)	C=(A-B)	(3377508)	(85925)
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)	-	3377508	85925
Transfer to Catastrophic Reserves	-	0	0
Transfer to Other Reserves	-	0	0
Total		0	0

Significant Accounting Policies and Notes to Accounts 16

As required by section 40C(2) of the Insurance Act, 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of fire insurance business have been fully debited in the Fire Insurance Revenue Account as expenses.

The schedules referred to above form integral part of the revenue account

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017





Consolidated Marine Insurance Revenue Account for the year ended 31st March, 2017

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1. Premium Earned (Net)	1	4673115	4788186
2. Profit on Sale or Redemption of Investments (Policy Holders)	-	398501	348232
Loss on Sale or Redemption of Investments (Policy Holders)			
3. Others		0	0
4. Interest, Dividend and Rent (Gross)	-	559703	648173
Total (A)		5631319	5784592
1. Claims Incurred (Net)	2	3577504	2869107
2. Commission	3	450918	478735
3. Operating Expenses Related to Insurance Business	4	782710	1056041
4. Premium Deficiency		0	0
5. Others - Foreign Taxes		0	0
Amortisation, Write off, Provisions - Investments		1698	698
Total (B)		4812830	4404580
Operating Profit/ (Loss)	C=(A-B)	818488	1380011
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)	-	(818488)	(1380011)
Transfer to Catastrophic Reserves	-	0	0
Transfer to Other Reserves	-	0	0
Total		0	0

Significant Accounting Policies and Notes to Accounts 16

As required by section 40C(2) of the Insurance Act, 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of marine insurance business have been fully debited in the Marine Insurance Revenue Account as expenses.

The schedules referred to above form integral part of the revenue account

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
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As per our report of even date

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Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017



**Consolidated Miscellaneous Insurance Revenue Account for the year ended 31st March, 2017**

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1. Premium Earned (Net)	1	155355332	125090030
2. Profit on Sale or Redemption of Investments (Policy Holders)	-	10367266	7707186
Loss on Sale or Redemption of Investments (Policy Holders)			
3. Others		0	0
4. Interest, Dividend and Rent (Gross)	-	14310271	13863138
Total (A)		180032869	146660354
1. Claims Incurred (Net)	2	139901785	114395886
2. Commission	3	9522709	9891675
3. Operating Expenses Related to Insurance Business	4	33296592	28051412
4. Premium Deficiency		0	0
5. Others - Foreign Taxes		1636	2134
Amortisation, Write off, Provisions - Investments		44176	16462
Total (B)		182766898	152357569
Operating Profit/ (Loss)	C=(A-B)	(2734029)	(5697125)
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)	-	2734029	5697125
Transfer to Catastrophic Reserves	-	0	0
Transfer to Other Reserves	-	0	0
Total		0	0

Significant Accounting Policies and Notes to Accounts 16

As required by section 40C(2) of the Insurance Act, 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of miscellaneous insurance business have been fully debited in the Miscellaneous Insurance Revenue Account as expenses.

The schedules referred to above form integral part of the revenue account

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

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Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017





Consolidated Profit and Loss Account for the year ended 31st March 2017

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1. Operating Profit / (Loss)			
a. Fire Insurance	-	(3377508)	(85925)
b. Marine Insurance	-	818488	1380011
c. Miscellaneous Insurance		(2734029)	(5697125)
2. Income from Investments			
a. Interest Dividend and Rent (Gross) - Share Holders		8829362	8307378
b. Profit on Sale of Investment - Share Holders	-	6420867	4690618
Less: Loss on Sale of Investment - Share Holders	-	0	0
3. Other Income - Misc Receipts, Credit Balances Written Back		859585	269304
- Interest on Refund of Income Tax		1324471	303196
Total (A)=1+2+3		12141236	9167458
4. Provisions (Other Than Taxation)			
a. Others - Amortisation Provision For Thinly Traded Shares - Shareholders	-	24627	(5972)
b. For Doubtful Debts - Investments(Shareholders)	-	(8823)	(16140)
c. For Doubtful Debts - Operations		129817	0
d. For Diminution In Value Of Investments (Shareholders)	-	11556	31978
5. Other Expenses (Other Than Those Related To Insurance Business)		0	1658
a. Others - Interest On Income/Service Tax	-	11467	791
b. (Profit)/Loss On Sale Of Assets		27827	(7556)
c. Penalty		2000	2000
d. Bad debts written off		0	21893
Total (B)=(4+5)		198471	28652
Profit Before Tax (A-B)	-	11942764	9138806
Provision For Taxation - Current Tax	-	1722152	1386901
Deferred Tax		(59073)	(492591)
Wealth Tax		0	0
Profit After Tax		10279685	8244497
Profit attributable to Minority Interest		(44181)	(18649)
Add : Share of Profit/(Loss) in Associate Enterprises		224277	291363
Transfer from General Reserves for Equalization / Contingency Reserves for Foreign Branches		129457	248331
Transfer from Contingency Reserves for Unexpired Risk (created in 2009-10)		0	0
Appropriations		0	0
a. Proposed Final Dividend	-	0	(2500000)
b. Dividend Distribution Tax.	-	(10908)	(508941)
c. Transfer to General Reserves	-	(10578330)	(5508269)
d. Transfer to Equalization / Contingency Reserves for Foreign Branches	-	0	(248331)
e. Transfer to Consolidated Revenue Reserve		0	0
Profit / (Loss) Carried Forward to The Balance Sheet	-	0	0
Basic and diluted earnings per share (₹) {Refer Note 13 B to notes to accounts in Schedule 16 B}		52.30	42.59
Significant Accounting Policies and Notes to Accounts	16		
The schedules referred to above form integral part of the Profit and Loss Account			

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Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017



**Consolidated Balance Sheet as at 31st March, 2017**

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
A. Sources of Funds			
1. Share Capital	5 & 5A	2000000	2000000
2. Reserves and Surplus	6	124407166	116745509
3. Fair Value Change Account - Shareholders	-	80435866	68104579
Fair Value Change Account - Policyholders		157115599	123125416
4. Borrowings	7	0	0
5. Minority Interest		385623	370818
Total A		364344254	310346322
B. Application of Funds			
1. Investments	8	519315631	450092181
2. Loans	9	3085957	3291429
3. Fixed Assets	10	4310084	3535395
4. Deferred Tax Assets		2197485	2158434
5. Current Assets			
a. Cash and Bank Balances	11	81257284	72162254
b. Advances and Other Assets	12	89192592	105796657
Sub Total(a+b)		170449876	177958910
c. Current Liabilities	13	238464383	237193063
d. Provisions	14	98763797	93854724
Sub Total(c+d)		337228180	331047787
Net Current Assets (a+b-c-d)		(166778304)	(153088877)
6. Miscellaneous Expenditure - Contribution to Gratuity Fund-Deferred (to the extent not written off or adjusted)	15	2213400	4357760
Total B		364344254	310346322
Significant Accounting Policies and Notes to Accounts	16		

The Schedules referred to above form integral part of the Balance Sheet

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

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Partner
Membership Number 074392

Mumbai
3rd May, 2017

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940





Consolidated Schedules to Fire Insurance Revenue Account for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Fire		
Premium Earned(Net)		
Premium From Direct Business - in India	18242822	16918362
- outside India	8092307	9447908
Total	26335129	26366270
Add: Premium on Reinsurance Accepted	9290477	8270854
Less: Premium on Reinsurance Ceded	15417066	13136214
Net Premium	20208540	21500909
Adjustment for Change in Reserve for Un-Expired Risks	883626	666795
Total Premium Earned (Net)	19324914	20834114
Schedule 2 - Fire		
Claims Incurred (Net)		
Claims Paid Direct	17593591	18654650
Add: Claims on Reinsurance Accepted	5879393	5308497
Less: Claims on Reinsurance Ceded	6492659	9660426
Net Claims Paid	16980325	14302722
Add: Claims Outstanding at End (Net)	27663892	25872087
Less : Claims Outstanding at Beginning (Net)	25872087	25073103
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	894159	(170619)
Total Incurred Claims (Net)	19666289	14931087
Schedule 3- Fire		
Commission (Net)		
Commission - Direct	3379901	3908376
Add : Commission on Reinsurance Accepted	1555311	1373027
Less : Commission on Reinsurance Ceded	1588432	1439909
Commission (Net)	3346780	3841495
Break-up of Commission Direct		
Direct Commission	2642038	439155
Direct Brokerage	667098	3398898
Direct Corporate Agency Commission	70765	70323
Others - Other Channels	0	0
Total Commission	3379901	3908376



**Consolidated Schedules to Marine Insurance Revenue Account for the year ended 31st March, 2017**

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Marine		
Premium Earned(Net)		
Premium From Direct Business - in India	6100259	6175331
- outside India	679725	741761
Total	6779984	6917092
Add: Premium on Reinsurance Accepted	361266	512013
Less: Premium on Reinsurance Ceded	3424906	3225877
Net Premium	3716344	4203229
Adjustment for Change in Reserve for Un-expired Risks	(956771)	(584957)
Total Premium Earned (Net)	4673115	4788186
Schedule 2 - Marine		
Claims Incurred (Net)		
Claims Paid Direct	4467596	5122900
Add: Claims on Reinsurance Accepted	404976	564028
Less: Claims on Reinsurance Ceded	1090316	2893239
Net Claims Paid	3782256	2793688
Add: Claims Outstanding at End (Net)	4980361	5232746
Less : Claims Outstanding at Beginning (Net)	5232746	5138765
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	47633	(18563)
Total Incurred Claims (Net)	3577504	2869107
Schedule 3- Marine		
Commission (Net)		
Commission - Direct	661702	512139
Add : Commission on Reinsurance Accepted	51886	84226
Less : Commission on Reinsurance Ceded	262671	116472
Commission (Net)	450918	479893
Break-up of Commission Direct		
Direct Commission	369575	296942
Direct Brokerage	291670	214619
Direct Corporate Agency Commission	457	578
Others - Other Channels	0	0
Total Commission	661702	512139




Consolidated Schedules to Miscellaneous Insurance Revenue Account for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Miscellaneous		
Premium Earned(Net)		
Premium From Direct Business - in India	166803842	128401394
- outside India	18152386	18093534
Total	184956228	146494928
Add: Premium on Reinsurance Accepted	4581850	3712499
Less: Premium on Reinsurance Ceded	26316500	15616624
Net Premium	163221579	134590803
Adjustment for Change in Reserve for Un-expired Risks	7866247	9500772
Total Premium Earned (Net)	155355332	125090030
Schedule 2 - Miscellaneous		
Claims Incurred (Net)		
Claims Paid Direct	133116093	108754383
Add: Claims on Reinsurance Accepted	2709916	4601271
Less: Claims on Reinsurance Ceded	10309225	10937855
Net Claims Paid	125516784	102417798
Add: Claims Outstanding at End (Net)	147134184	133392353
Less : Claims Outstanding at Beginning (Net)	133392353	121149469
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	643170	(264796)
Total Incurred Claims (Net)	139901785	114395886
Schedule 3- Miscellaneous		
Commission (Net)		
Commission - Direct	11472227	10909189
Add : Commission on Reinsurance Accepted	503513	411894
Less : Commission on Reinsurance Ceded	2453031	1378263
Commission (Net)	9522709	9942820
Break-up of Commission Direct		
Direct Commission	8457928	8335883
Direct Brokerage	2706321	2345309
Direct Corporate Agency Commission	214367	198125
Others - Other Channels	93611	29872
Total Commission	11472227	10909189



**Consolidated Schedules for the year ended 31st March, 2017**

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule - 4		
Operating Expenses Related To Insurance Business		
1. Employees Remuneration And Welfare Benefits	22359364	24510659
2. Travel Conveyance And Vehicle Running Expenses	644388	656923
3. Training Expenses	155958	196752
4. Rent Rates And Taxes	1147499	974080
5. Repairs And Maintenance	954517	1076249
6. Printing And Stationery	404641	403755
7. Communication Expenses	294025	371240
8. Legal And Professional Charges	565561	541173
9. Auditors Fees, Expenses Etc. As Auditor	99515	86075
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Taxation	211	131
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Insurance	0	0
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Mgt Services	0	4994
Auditors Fees, Expenses Etc. In Other Capacity	0	0
10. Advertisement And Publicity	616338	364454
11. Interest And Bank Charges	55513	37916
12. Others - Exchange (Gain) / Loss	370344	(874294)
IT Implementation	1079473	449175
Outsourcing Expenses	4378170	3683475
Other Taxes	138619	125920
Incentives to Agents	1979829	0
Others	1838340	2431326
13. Depreciation	469739	344098
14. Service Tax Account	669063	223426
Total	38221107	35607528
Apportioned to Fire Segment	4141805	6500076
Apportioned to Marine Segment	782710	1056041
Apportioned to Miscellaneous Segment	33296592	28051412
Total	38221107	35607528





Consolidated Schedules for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule - 5		
Share Capital		
1. Authorised Capital		
30,00,00,000 (Previous Year 30,00,00,000) Equity Shares of ₹ 10 each	3000000	3000000
2. Issued Capital		
20,00,00,000 (Previous Year 20,00,00,000) Equity Shares of ₹ 10 each	2000000	2000000
3. Subscribed Capital		
20,00,00,000 (Previous Year 20,00,00,000) Equity Shares of ₹ 10 each	2000000	2000000
4. Called up Capital		
20,00,00,000 (Previous Year 20,00,00,000) Equity Shares of ₹ 10 each	2000000	2000000
Total	2000000	2000000

Note : Of the above 19,61,49,366 shares are issued as fully paid up bonus shares by capitalisation of general reserves.

SCHEDULE 5A

Pattern of Shareholding

(As Certified by Management)

Share holder		Current Year		Previous Year	
		Numbers	% of Holding	Numbers	% of Holding
Promoters	Indian	200000	100	200000	100
	Foreign	-	-	-	-
Others		-	-	-	-
Total		200000	100	200000	100



**Consolidated Schedules for the year ended 31st March, 2017**

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 6		
Reserves and Surplus		
1. Capital Reserve (Op. Balance)	41681	575
Addition During The Year	0	41106
Deduction During The Year	(41106)	0
(Cl. Balance)	575	41681
2. Capital Redemption Reserve	0	0
3. Share Premium	0	0
4. General Reserves (Op. Balance)	102213460	96332008
Addition during the year - Balance Transferred From P & L Account	10578330	5508269
Deferred tax due to Depreciation	0	321
Transfer to P & L Account for Equalization / Contingency Reserves and CFS	(3930424)	248331
Adjustment for Foreign Branches		
Change in Depreciation due to Companies Act, 2013	0	0
Consolidated Revenue Reserve	3985951	124531
(Cl. Balance)	112847317	102213460
5. Catastrophe Reserve		
6. Other Reserves		
A. Foreign Currency Translation Reserve		
(Op. Balance)	11288295	9379543
Addition During The Year (Refer Note No 17 to Notes to Accounts In Schedule 16 B)	0	1908751
Deduction During The Year	(2089655)	0
(Cl. Balance)	9198640	11288295
C. Equalization / Contingency Reserves for Foreign Branches		
(Op. Balance)	2831785	2506988
Addition During The Year	0	324797
Deduction during the Year	(471151)	0
(Cl. Balance)	2360634	2831785
7. Balance Of Profit In Profit And Loss Account	0	0
8. Property Revaluation Reserve	0	370289
Total	124407166	116745509
Schedule 7		
Borrowings		
1. Debentures / Bonds	-	-
2. Banks	-	-
3. Financial Institutions	-	-
4. Others	-	-
Total	0	0





Consolidated Schedules for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 8 - Investments Shareholders Fund		
Long term investments		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	43570419	41261357
2. Other Approved Securities	0	0
3. Other Investments	0	0
(a) Shares	0	0
aa. Equity	91107181	87285357
bb. Preference	656	1163
(b) Mutual funds/ ETF	335099	183591
(c) Derivative Instruments	0	0
(d) Debentures/Bonds	8712462	8576334
(e) Other securities - Foreign shares	4187426	831390
(f) Subsidiaries	0	0
(g) Investment Properties (Real Estate)	248128	361428
4. Investment in Infrastructure, Housing and Social Sector	16963365	17369384
5. Other than Approved Investments (Debentures, Pref.shares, Foreign Shares, Venture Funds and Equity)	7297185	1816675
Total	172421921	157686679
Short Term Investments		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	2704552	3820331
2. Other Approved Securities	0	0
3. Other Investments		
(a) Shares		
aa. Equity	0	0
bb. Preference	0	0
(b) Mutual funds/ ETF	0	0
(c) Derivative Instruments	0	0
(d) Debentures/Bonds	2499760	729224
(e) Other Securities	0	0
(f) Subsidiaries	0	0
(g) Investment Properties (Real Estate)	0	0
4. Investment in infrastructure and Social Sector	3592811	3155544
5. Other than Approved Investments (Debentures, Pref.shares, Foreign Shares, Venture Funds and Equity)	2012	40708
Total	8799136	7745808
Grand Total	181221056	165432486
Investments		
1. In India	509805560	440964426
2. Outside India	9510071	4492749
Investment in foreign associates included in equity above	30136	30136
Aggregate amount of Companies Investments in other than listed equity shares Book Value	749587	1044629
Market value	725309	987798
Preference shares and FITL preference shares (LTUA) amounting to ₹84320 (P.Y. ₹84498) is netted against interest suspense of an equal amount. Debentures and FITL debentures amounting to ₹43101 (P.Y. ₹45115) are netted against interest suspense of an equal amount. Equity shares amounting to ₹276 (P.Y. ₹276) is netted against interest suspense of an equal amount.		
Provision made for bad and doubtful debts shown under Schedule 14.5 against assets in Schedule 8		
Debentures - Standard Provisions	130412	101061
Housing sector bonds - Standard Provisions	93696	90388
Infrastructure investments - Standard Provisions	146671	141276
Other than approved investments (Debenture)	456547	468882
Equity - Foreign share - diminution in value others	0	315
Equity - Thinly traded and unlisted equity - diminution in value	47935	71384
Equity - Thinly traded - foreign (Hongkong)	0	18
Equity - Long term unapproved thinly traded and unlisted equity - diminution in value (F)6034/12	14017	21993
Equity subsidiary - Long term unapproved thinly traded and unlisted equity - diminution in value (F)6039/12	1535	1535
Total	890813	896852



**Consolidated Schedules for the year ended 31st March, 2017**

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 8-A		
Investments - Policyholders Fund		
Long term investments		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	79139754	69102477
2. Other Approved Securities	0	0
3. Other Investments		
(a) Shares		
i) Equity	179348145	152166124
ii) Preference	1291	2118
(b) Mutual funds/ ETF	659656	334352
(c) Debentures/Bonds	16455263	14085145
(d) Investment Properties Real Estate	0	0
(e) Other securities - (Other than Approved)	13044546	3304228
4. Investment in Infrastructure and Housing	33393066	31632846
Total	322041722	270627290
Short Term Investments		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	5324020	6957527
2. Other Approved Securities	0	0
3. Other Investments		
(a) Shares		
i) Equity	0	0
ii) Preference	0	0
(b) Mutual funds/ ETF	0	0
(c) Debentures/Bonds	3652279	1328052
(d) Other Securities (Other than Approved)	3961	0
4. Investment in infrastructure and Housing	7072593	5746826
Total	16052853	14032405
Grand Total	338094575	284659695





Consolidated Schedules for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 9		
Loans		
1. Security-Wise Classification		
Secured		
a. On Mortgage Of Property		
aa. In India		
Loan Against Mortgage Of Property	0	0
Housing, Vehicle and Computer Loans to Employees	1906868	1784248
Direct Term Loans	183239	638123
bb. Outside India Housing, Vehicle Loan to Employees	482	44563
b. On Shares, Bonds, Government Securities	0	0
c. Others	0	0
Loans to Subsidiaries	0	0
Loans To State Government Housing, FFe Loans	571689	676975
Unsecured (Term Loans, Bridge Loans, Short-Term Loans, Term Loans PFPS)	423679	147520
Total	3085957	3291429
2. Borrower-Wise Classification		
a. Central and State Governments(Term Loans, Housing and FFE)	571689	676975
b. Banks and Financial Institutions	0	0
c. Subsidiaries	0	0
d. Industrial Undertakings (Term Loans, Bridge Loans, Short-Term Loans, Loans to PFPS)	578144	755138
e. Others - Housing Loans, Vehicle Loans, Computer Loans to Employees	1907350	1828811
Term Loans and PFPS	28774	30505
Total	3085957	3291429
3. Performance-wise Classification		
a. Loans Classified as Standard		
aa. In India: Term Loans, Bridge Loans, State Government Housing And FFE, PFPS	552183	785247
Housing, Vehicle And Computer Loans To Employees	1906868	1827930
bb. Outside India (Loans To Employees)	482	881
Loans to Subsidiaries	0	0
b. Non-Performing Loans less Provisions	0	0
aa. In India (Term Loans, Bridge Loans, Short-Term Loans, Loans PFPS)	626423	677371
bb. Outside India	0	0
Total	3085956	3291429
4. Maturity-wise Classifications		
a. Short-Term (Term Loans, Direct Bridge Loans, Short-Term Loans, Term Loans PFPS)	103123	0
b. Long-Term		
(Term Loans Direct, Loans State Government Housing and FF, and Loans PFPS)	1075484	1462618
Loans to Subsidiaries	0	0
Housing, Vehicle, And Computer Loans To Employees.	1907350	1828811
Total	3085957	3291429
<i>PFPS and FITL PFPS amounting to ₹585452 (P.Y. ₹617105) and FITL short term loan amounting to ₹1675 (P.Y. ₹1675) and direct term loans amounting to ₹6101 (P.Y. ₹6101) are netted against interest suspense of an equal amount.</i>		
Provision made for bad and doubtful debts shown under Schedule 14.5 against assets in Schedule 9		
Direct term loans (Investments)	18115	18115
Bridge loan (Investments)	400	400
Term loans PFPS std.provision	0	511
Term loans PFPS	503336	554283
Short term loans (Investments)	85068	85068
Housing loans to state govts. - std.provision	2192	2595
Housing loans to state govts.	16573	16573
FFE loans to state govts. - std.provision	19	35
FFE loans to state govts.	2932	2932
Total	628635	680512





Consolidated Schedules for the year ended 31st March, 2017

Schedule 10

Fixed Assets												₹ (000)
Particulars	Gross Block				Depreciation Fund				Net Block			
	Opening Balance.	Additions	Deletions / Adjustments	* Closing Balance	Opening Balance	Additions	Deletions / Adjustment	* Closing Balance	Closing	Opening		
	01/04/2016	During 2016-2017	31/03/2017	01/04/2016	During 2016-2017	31/03/2017	01/03/2017	31/03/2017	31/03/2017	31/03/2016		
Goodwill (AS-21)	0	156478	0	156478	0	0	0	0	156478	0		
Intangibles (Softwares)	1069265	1419	(26804)	1097488	1034778	17118	(9897)	1061585	35903	34487		
Land Freehold	78234	1810	3929	76116	0	0	0	0	76116	78234		
Leasehold Property	282751	6	83367	199389	264418	1145	85319	180244	19145	18333		
Buildings	2629551	140936	394924	2375563	928396	39448	5705	962139	1413424	1701154		
Furnitures & Fittings	719408	47989	16788	750609	498492	32054	5728	524818	225790	220916		
Information & Technology Equipments	3032991	778107	245612	3565485	2542249	227144	25714	2743679	821807	490742		
Vehicles	1264011	351426	186816	1428621	573533	127362	100505	600390	828231	690478		
Office Equipments	147036	15527	15666	146896	119966	6772	7428	119310	27586	27070		
Other Assets #	364220	35175	(973)	400368	242189	18697	(775)	261662	138706	122030		
Work in Progress	151954	553793	138849	566898	0	0	0	0	566898	151954		
Grand Total	9739420	1926188	1058174	10607434	6204022	469740	219728	6453827	4310084	3535397		
Previous Year	8918324	975588	154407	9739417	6006790	344100	146868	6204022	3535397			

* Due to foreign currency fluctuation

Other Assets includes Air Conditioner, Water Coolers, Television, Lifts and Cameras etc.





Consolidated Schedules for the year ended 31st March, 2017

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 11		
Cash and Bank Balances		
1. Cash (Including Cheques, Drafts and Stamps)	2344587	2033814
2. Bank Balances		
a. Deposit Accounts		
aa. Short - Term (due within 12 Months)	16961609	9869278
bb. Others	46194958	46617367
b. Current Accounts	7247640	9854243
3. Money at Call and Short Notice		
With Banks	503022	610449
With other Institutions	8005468	3177103
Total	81257284	72162254
Cash and Bank Balances In India	29479189	16557873
Cash and Bank Balances Outside India	51778095	55604381
Total	81257284	72162254
<i>Balances with non scheduled banks included in 2b above</i>	9090285	2709982
Provision made for bad and doubtful debts shown under Schedule 14.5 against assets in Schedule 11		
<i>Indian balances included in 2b above</i>	-	65039
Total	-	65039



**Consolidated Schedules for the year ended 31st March, 2017**

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 12		
Advances and Other Assets		
A. Advances		
1. Reserve Deposits With Ceding Companies	174565	257769
2. Application Money For Investments	0	0
3. Pre-Payments	317551	183959
4. Advances To Directors / Officers	0	0
5. Advance Tax Paid And Taxes Deducted At Source (Net Of Provision For Taxation)	2918562	5951021
6. Others	589218	384211
Total (A)	3999897	6776960
B. Other Assets		
1. Income Accrued On Investments	6898019	6563384
2. Outstanding Premiums	6630282	2259267
3. Agents Balances	3971445	4486317
4. Foreign Agencies Balances	995900	1503989
5. Due From Other Entities Carrying Insurance Business (Including Reinsurers)	57860472	53747930
6. Due From Subsidiaries/Holding Companies	0	0
7. Deposit With R B I (Persuant to Section 7 Of Insurance Act 1938)	0	0
8. Others - a. Other Accrued Income	1325197	1008639
b. Others Including Sundry Debtors & Interoffice Accounts	5694747	29124284
c. Service Tax Unutilized Credit	429093	325886
d. Fixed Deposit-Unclaimed Amounts of Policy Holders	1387541	0
Total (B)	85192696	99019697
TOTAL(A+B)	89192592	105796657

Sundry Debtors amounting to ₹ 5010 (P.Y. ₹6604) are netted against interest suspense of an equal amount.

Provision made for Bad and doubtful debts shown under Schedule 14.5 against assets in Schedule 12

Reinsurance balances included in A1 above	93984	93984
Reinsurance balances included in B5 above	946978	942847
Reinsurance balances included in B8 above	494	494
Foreign balances included in A1 above (France 911871 & 873)	0	0
Foreign balances included in B1 above (France 911897)	0	0
Foreign balances included in B3 above (Fiji, Mauritius, Bangkok, Japan, New Zealand)	62209	45480
Foreign balances included in B4 above (Manila & Dubai)	73104	62620
Foreign balances included in B5 above (Bangkok)	11755	26351
Foreign balances included in B6 above (Ghana, T&T, Kuala Lumpur)	0	0
Foreign balances included in B8 above (Equitorial Bank London)	9391	10432
Indian reinsurance balances/Miscellaneous debtors included in B5B above	200000	200000
Indian balances included in B3 above	50223	138334
Indian balances included in B8b above	355795	86800
Indian miscellaneous debtors included in 12 B 4 above	0	0
Indian miscellaneous debtors included in B8b above (TCS)	81188	137757
Sundry debtors(5192) investments Indian included in B8 above - Std. provision	31	31
Sundry debtors(5192) investments Indian included in B8 above	3851	3851
Sundry debtors(5192) investments(F) Indian included in B8 above	952	949
Income accrued on investments(5131(F)) Indian included in B1 above	2	2
Total	1889957	1749932



Schedules

Schedule 14

Schedule 15

1. Discount Allowed on Issue of Shares and Debentures	0	0
2. Others - Contributions to Gratuity Fund and Gratuity Fund (Deferred Expenses to the Extent not Written Off)	2213400	4357760
Total	2213400	4357760





**Consolidated Receipts & Payments Account / Cash Flow Statement
for the period from 01/04/2016 to 31/03/2017**

Particulars	Current Year ₹ (000)	Previous Year ₹ (000)
A. Cash Flows from the operating activities:		
1. Premium received from policyholders, including advance receipts	243593759	203822849
2. Other receipts	397159	222164
3. Payments to the re-insurers, net of commissions and claims	(15900237)	(5959102)
4. Payments to co-insurers, net of claims recovery	(1907977)	(3231595)
5. Payments of claims	(153615445)	(136580948)
6. Payments of commission and brokerage	(15205583)	(15195389)
7. Payments of other operating expenses	(39826148)	(39083496)
8. Preliminary and pre-operative expenses	(1637)	(4023)
9. Deposits, advances and staff loans	(34413)	210151
10. Income taxes paid (Net)	2704817	(2400829)
11. Service tax paid	(23077869)	(17607942)
12. Other payments	1638030	(244350)
13. Cash flows before extraordinary items	(1235545)	(16052512)
14. Cash flow from extraordinary operations	0	0
Net cash flow from operating activities	(1235545)	(16052512)
B. Cash flows from investing activities:		
1. Purchase of fixed assets	(1922665)	(974843)
2. Proceeds from sale of fixed assets	384222	195458
3. Purchases of investments	(35425713)	(51615613)
4. Loans disbursed	0	0
5. Sales of investments	29981952	32724249
6. Repayments received	(376332)	46672
7. Rents/Interests/ Dividends received	25585167	25045875
8. Investments in money market instruments and in liquid mutual funds	0	0
9. Expenses related to investments	(297503)	102643
Net cash flow from investing activities	17929128	5524441
C. Cash flows from financing activities:		
1. Proceeds from issuance of share capital	0	0
2. Proceeds from borrowing	0	0
3. Repayments of borrowing	(18586)	(47455)
4. Interest/dividends paid	(3054962)	(3608186)
Net cash flow from financing activities	(3073547)	(3655641)
D. Effect of foreign exchange rates on cash and cash equivalents, net	(4525005)	1971902
E. Net increase in cash and cash equivalents:	9095030	(12211809)
1. Cash and cash equivalents at the beginning of the year	72162254	84374063
2. Cash and cash equivalents at the end of the year	81257284	72162254

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940

Mumbai
3rd May, 2017





Schedule 16

Significant Accounting Policies and Notes forming part of Consolidated Financial Statements as on 31st March, 2017

16 A. SIGNIFICANT ACCOUNTING POLICIES

1. Principles of Consolidation:

The consolidated financial statements relate to The New India Assurance Co Ltd , the Holding Company and its subsidiaries (referred to as "Group") and associates. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets , liabilities , income and expenses, after eliminating the intra-group balances and intragroup transactions to the extent possible and by following the consolidation procedures as laid down in Accounting Standard (AS) 21- Consolidated Financial Statements.
- The difference between the cost of investment in the subsidiaries , over the net assets in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.;
- The difference between the proceeds from disposal of investment in subsidiaries and carrying amount of its assets less liabilities as of the date of disposal of investment in subsidiaries is recognized in the consolidated statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
- Minority interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the company. Minority interest's share of net assets of consolidated balance sheet is presented in consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
- Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS)- 23- Accounting for investments in associates in Consolidated Financial Statements.;
- The company accounts for its shares in change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its shares, through its profit and loss account to the extent such change is attributable to the associates' Profit or Loss through its reserves for the balance, based on available information.
- The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.;
- As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements. Except in case of the subsidiary companies ,where the accounts are made and maintained in accordance with International Financial Reporting Standards (IFRS) as required under the local laws of the respective country,during the process of consolidation, accounting adjustments have been made to align the accounts of the subsidiary company to confirm to the accounting polices followed by the Holding Company however following are the material differences with the accounting policies followed by the Holding Company as compared to the subsidiary companies combined in the consolidated financial statements :
 - a. In accordance with IFRS, Insurance receivables are recognized when due and measured at amortized cost, using the effective interest rate method. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of income.





- b. Deferred Acquisition cost Commissions and other acquisition costs that are related to securing new contracts and renewing existing contracts are capitalized as Deferred Acquisition Costs (DAC) if they are separately identifiable, can be measured reliably and it is probable that they will be recovered. All other costs are recognized as expenses when incurred. The DAC is subsequently amortized over the life of the contracts in line with premium revenue using assumptions consistent with those used in calculating unearned premium. It is calculated by applying to the acquisition expenses the ratio of unearned premium to written premium. The DAC asset is tested for impairment annually and written down when it is not expected to be fully recovered.
- c. Insurance and investment contract of policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognized as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognized over those future periods;
- d. Reserve for unexpired risk and Premium deficiency reserve is calculated and recognized as per 1/365 or 1/24 method or as required under local laws.
- e. Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER) is accounted as per liability adequacy test carried by actuary/ management assessment of such liability.
- f. Property plant and equipment is shown at fair value on historical cost model except in case of NIA (T&T) Ltd., where fair value is based on triennial valuation by external appraisers. Depreciation on property plant and equipment is calculated and accounted for based on useful lives as assessed by the management which are different from those followed by the Holding Company. Investment property is recognized as per IFRS provisions.
- g. Provisions related to post-employment benefits to the staff are accounted for based on the requirements of local laws;
- h. Provision for taxation including deferred tax is accounted as per local tax laws and in accordance with the provisions of IFRS.
- i. Statutory Reserve is created in accordance with the requirements of local laws.
- The list of subsidiary companies and associates which are included in the consolidation and the company holdings are as under :

Sr. No.	Name of the company	Ownership %	Country of incorporation
Subsidiaries			
1.	The New India Assurance Co. (Trinidad & Tobago) Limited	83.89	Trinidad & Tobago
2.	Prestige Assurance PLC Nigeria	69.50	Nigeria
3.	The New India Assurance Co. (Sierra Leone) Limited	100.00	Sierra Leone
Associates			
4.	Indian International Insurance Pte. Ltd.	20.00	Singapore
5.	Health Insurance TPA of India Limited	23.75	India

2. Accounting Convention

The financial statements are drawn up in accordance with the provisions of IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and circulars and/or guidelines issued in the context of preparation of the financial statements, and the provisions of the Companies Act 2013. The said statements prepared on historical cost convention and on accrual basis, comply with accounting standards specified under Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and conform to practices prevailing in the General Insurance industry except as otherwise stated.





3. Use of Estimates

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

4. Revenue Recognition

A. Premium

Premium income is recognized on assumption of risk. A reserve for Unearned Premium for each segment, representing that part of the recognized premium attributable to the succeeding accounting periods, calculated on time apportionment basis is created. This forms part of the un-expired risk reserves.

Reinsurance premium is recognized as per the terms of the reinsurance contracts. A reserve for Unearned Premium for each segment, representing that part of the recognized reinsurance premium attributable to the succeeding accounting periods, is also calculated on time apportionment basis. This also forms part of the un-expired risk reserves.

Any subsequent revisions to or cancellations of premium are recognised in the year in which they occur.

B. Commission

Commission Income on Reinsurance cessions is recognized as income in the year in which reinsurance premium is ceded.

Profit Commission under reinsurance treaties wherever applicable, is recognized on accrual. Any subsequent revisions of profit commission are recognized for in the year in which final determination of the profits are intimated by reinsurers.

5. Premium Received in Advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

6. Reserves for Un-expired Risk/s

Unearned premium reserve is computed in accordance with the guidelines issued by IRDAI as under :

- a) Marine Hull : 100% of the net written premium during the preceding twelve months;
- b) other segments:
 - i) in respect of domestic business : on the basis of 1/365th method on the unexpired period of respective policies and
 - ii) in respect of foreign business 50% of the net premium in respect of all business other than Marine hull

7. Reinsurance Accepted

Reinsurance returns have been incorporated for the advices received up to the date of finalisation of accounts or on estimation basis.

8. Reinsurance Ceded

Reinsurance cessions are accounted for on the basis of actuals or on estimation basis.

9. Premium Deficiency

Premium deficiency is calculated where the sum of expected claims costs, related expenses and maintenance costs exceed the related unearned premium. The premium deficiency is recognized as per IRDA guidelines and forms part of unexpired risk reserves.



**10. Acquisition Costs.**

Acquisition costs are primarily related to acquisition of insurance contracts and have been expensed in the year in which they are incurred.

11. Incurred Claims

Claims are recognized as and when reported.

Claims Paid (net of recoveries including salvages retained by the insured, includes interest paid towards claims and all expenses directly incurred in relation to their assessment) are charged to respective revenue accounts.

Claims outstanding at the year-end are provided based on survey reports, information provided by clients and other sources, past experience and applicable laws and includes:

- In respect of direct business, claim intimations received up to the year-end.
- In respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalisation of accounts or on estimation basis
- Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER). The said provisions have been determined by Appointed Actuary, which is in accordance with accepted actuarial practice, requirement of IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the master circulars issued in the context of preparation of financial statements and stipulations of the Institute of Actuaries of India.

All the outstanding claims for direct business are provided net of estimated salvage (if any).

In respect of motor third party claims where court summons have been served on the Company without adequate policy particulars to establish liability of the Company, provision is made as under:

- 100% of the estimated liability, where such claims are outstanding for more than one year.
- 1/3rd of the estimated liability, for all such claims for which court summons have been served on the Company during the year.

Interest on motor accident claims tribunal (MACT) claims is provided based on the prevailing trends in the motor third party claim awards.

12. Salvage and Claim Recoveries

Recoveries of claims and sale proceeds on disposal of salvage are accounted on realisation and credited to claims.

13. Provisions, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of obligation. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

14. Loans and Investments

- A Loans are measured at historical cost subject to impairment. Company reviews the quality of its loan assets and provides for impairment if any.
- B Short Term Money Market Instruments such as Commercial Papers and Certificate of Deposits are shown at their discounted value and the difference between the acquisition cost and the redemption value is apportioned on time basis and recognised as accrued income.
- C Contracts for purchase and sale of shares, bonds, debentures are accounted for as "Investments" as on date of transaction.
- D The cost of investments includes premium on acquisition, brokerage, transfer stamps, transfer charges, Securities Transaction Tax and is net of incentive/ fee if any, received thereon.





- E Dividend income (other than interim dividend) is accounted for as income in the year of declaration. Dividend on shares/interest on debentures under objection/pending delivery is accounted for on realisation. Interim dividend is accounted for where the amount is received/credited in the account of the company upto 31st March.

Dividend on foreign investments is accounted on gross basis.

Interest Income is recognized on accrual basis on time proportion except income on non-performing assets is recognized on realization.

Amount received towards compensation for future loss of interest is recognised as income only to the extent attributable to the accounting year and balance is kept in interest received in advance account for apportionment in the relevant year.

- F Profit/Loss on realisation of investments is computed by taking weighted average book value as cost of investments except:

- In respect of Government Securities/Debentures/Bonds under Trading Portfolio, the profit/loss is worked out specific scrip wise.
- In respect of Government Securities sold from Investment Portfolio, the profit/loss is worked out on first in first out basis (FIFO).

- G The Company follows the prudential norms prescribed by the Insurance Regulatory and Development Authority as regards asset classification, recognition of income and provisioning pertaining to loans/ advances/debentures

- H Investment in government securities, debt securities and redeemable preference shares are considered as held till maturity and valued at cost. However, in terms of Insurance Regulatory and Development Authority Regulations the premium paid at the time of acquisition of securities is amortised over the residual period of maturity.

- I i. Investments in Mutual Funds are valued at Net Asset Value (NAV) as at the Balance Sheet date and the difference between cost/book value and NAV is accounted in Fair Value Change Account. In case of non-availability of latest NAV as at the balance sheet date, investment is shown at cost.
- ii. Investments in Venture Funds are valued at cost. If there is reduction in NAV, the same is charged to revenue and book value of investments is reduced accordingly. Any appreciation in NAV to the extent of loss earlier recognised, is taken to revenue. Wherever Net Asset Value as on Balance Sheet date is not available, latest available Net Asset Value is considered.

- J (i) In accordance with IRDA/F&I/INV/CIR213/10/2013 dated 30th October, 2013 for Valuation of Equity Portfolio, National Stock Exchange (NSE) is considered as Primary Stock Exchange and Bombay Stock Exchange (BSE) as Secondary Stock Exchange.

Investment Portfolio in respect of equity/ equity related instruments is segregated into actively traded and thinly traded as prescribed by Insurance Regulatory and Development Authority Regulations. The shares are treated as actively traded or thinly traded by taking into consideration total traded transactions in the month of March on NSE and BSE.

- (ii) Actively traded equity/ equity related instruments are valued at the closing price at NSE or if the scrip is not traded at NSE, the scrip is valued at the closing price at BSE. The difference between weighted average cost and quoted value is accounted in Fair Value Change Account

Exchange traded funds are valued as applicable to Equity portfolio. The difference between the weighted average cost and the quoted value is accounted in Fair Value change account.

- (iii) Investments in equity shares of companies outside India are valued at the last quoted price at the stock exchange of the respective country.





- K Investment in thinly traded equity shares and unlisted equity shares are shown at cost. However, difference between cost and break-up value is provided for as diminution in value. If the break-up value is negative then the provision is made for the entire cost. Further, if the published accounts of an unlisted Company are not available for last three accounting years ending on or immediately preceding the date of working out diminution in value, then the provision is made for the entire cost.
- L In case of investment in listed and unlisted equity/ equity related instruments / preference shares where the value has been impaired on or before 31.03.2000, the historical/weighted average costs are not available with the Company. As a consequence, the carrying value of such investments as on 01.04.2000 is presumed to be the historical/ weighted average cost .
- M Investments in listed equity/ equity related instruments/ preference shares made in those companies, which are making losses continuously for last 3 years and where capital is eroded, are considered to have impairment in value. Further, if the published accounts of a Company are not available for last three accounting years ending on or immediately preceding the date of working out impairment in value, it is presumed that the value of investment is fully impaired and is written off to a nominal value of Re.1/- per Company.
- I. Valuation of such investments is done as under:
- In respect of actively traded equity shares: - least of cost price, market price or break-up value provided break-up value is positive. However, if the break-up value is negative the nominal value is taken at Re. 1/- per Company.
 - In respect of other than actively traded equity shares: - lower of cost price or break-up value provided break-up value is positive. However, if break-up value is negative the nominal value is taken at Re.1/- per Company.
 - In respect of preference shares, if the dividend is not received for the last three years, such preference shares are written down to a value which will bear to its face value, the same proportion as value taken/ which would have been taken for writing down equity shares bears to the face value of the equity shares. However, if the equity shares are written down to Re.1/- per Company, preference shares are also written down to a nominal value of Re.1/- per Company.
- II. Once the value of investment in listed equity/ equity related instruments/ preference shares of a company is impaired in accordance with the above mentioned policy, the reversal of such impairment losses are not recognised in revenue/ profit and loss till such company achieves a positive net worth as per the latest available published accounts immediately preceding the date of working out the reversal. However, in respect of investments where the historical or weighted average cost is not available as mentioned in Policy No.13-L, reversal of impairment loss is carried out and recognised only to the extent of impairment losses accounted after 31st March 2000.
- N REVERSE REPO transactions are treated as secured lending transactions and accordingly disclosed in the financial statements. The difference between total consideration at the 1st and 2nd leg of the transaction is treated as interest income.
- O "Collateralized Borrowing and Lending Obligation" (CBLO), which is issued at discount to the face value, is treated as money market instrument as per Reserve Bank of India Notification. Discount earned at the time of lending through CBLO is shown as income, which is apportioned on time basis.
- P Un-realised gains / losses arising due to changes in the fair value of actively traded listed equity shares other than enumerated in Accounting Policy 13-L are taken under the head "Fair Value Change Account" and on realisation reported in profit and loss account.
- Pending realisation, the credit balance in the "Fair Value Change Account" is not available for distribution.

15. Foreign Currency Transactions

- Reinsurance operations:

Revenue transactions of re-insurance in foreign currencies are converted at the average of buying and selling rates of exchange of each quarter in which they are accounted.





Monetary assets and liabilities of re-insurance in foreign currencies are converted at the closing rate.

- Foreign operations:
 - As per the Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates", foreign branches/agencies are classified as 'non-integral foreign operations'.
 - The assets and liabilities (including contingent liabilities), both monetary and non-monetary of the non-integral foreign operations are translated at the closing rate,
 - Income and expense items of the non-integral foreign operations are translated at the average exchange rate of the year.
 - Depreciation on fixed assets held in foreign branches and agencies is provided on written down rupee value at the year-end at the rates and in the manner as stated in "Depreciation" policy stated herein below.
 - All resulting exchange difference is accumulated in a foreign currency translation reserve until the disposal of the net investment.
- Foreign investments transactions during the year are converted at the exchange rates prevailing as on the last day of the month of purchase or sale.
- Other assets and liabilities in foreign currencies are converted at the average of buying and selling rates of exchange prevailing at the year end.
- The exchange gain/loss due to conversion of foreign currencies other than relating to non-integral foreign operations is taken to revenue(s) account and profit and loss account as applicable.

16. Fixed Assets

- Fixed assets are stated at cost less depreciation.
- The fixed assets are assessed for any indication that an asset is impaired. In case the recoverable amount of the fixed assets is lower than its carrying amount a provision is made for the impairment loss.
- Lease payment for assets taken on operating lease are recognized as an expense in the revenue(s) accounts and profit and loss account over the lease term.

17. Depreciation

- a. Depreciation on fixed assets is charged on Straight Line Method (SLM) as per the useful life prescribed under Schedule II of the Companies Act 2013 and the residual value of the asset shall be Re 1/-.
- b. Lease hold properties are amortised over the lease period.

18. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation. The same is amortised over a period of four years on straight line basis. Software development / acquisition costs, except those which meet the recognition criteria as laid down in Accounting Standard 26 (AS 26), are charged to revenue. Any additions to already existing assets are amortised prospectively over the remaining residual life of the assets.

19. Employee Benefits

Employee benefits comprise of both defined contributions and defined benefit plans.

Provident Fund is a defined contribution plan. Company's contribution towards provident fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further Company has no further obligation beyond the periodic contributions.

Pension, Gratuity and Leave Encashment are defined benefit plans. The Company has incorporated a Pension Trust and Gratuity Trust. The Company's liability towards pension, gratuity and leave encashment is accounted for on the basis of an actuarial valuation done at the year end and is charged to revenue accounts and profit and loss account as applicable except in case of pension for the employee who joined from 1st April 2010 which is defined contribution plan wherein contribution towards pension fund is charged to the Profit and





Loss Account and Revenue Accounts as applicable. Further, Company has no further obligation beyond the periodic contributions.

All short term employee benefits are accounted on undiscounted basis during the accounting period based on service rendered by the employees

20. Expenses of Management-Basis of Apportionment

Expenses of management including provision for bad and doubtful debts and exchange gain/loss, are apportioned to the revenue accounts on the basis of net premium

21. Segregation of Policy Holders and Share Holders funds:

Investment Assets includes Policyholders as well as Share holders. Investment assets are bifurcated at the end of each quarter between Shareholders and Policyholders at 'fund' level on notional basis in accordance with IRDAI guidelines.

22. Income from investments -Basis of Apportionment

Investment Income (net of expenses) is apportioned between Shareholders' Fund and Policyholders' Fund in proportion to the balance of these funds at the beginning of the year.

Investment income (net of expenses) belonging to Policyholders is further apportioned to Fire, Marine and Miscellaneous segments in proportion to respective technical reserves balance at the beginning of the year .

Policy holders fund for this purpose consist of Estimated liability for outstanding claims including IBNR and IBNER, unexpired risk reserve (URR), Premium deficiency (if any), catastrophe reserve (if any) and Other Liabilities net of Other Assets (relating to policy holders) as per the guidelines of IRDAI; The residual consists of the Shareholder fund.

23. Taxation.

- Tax expense for the year, comprises current tax and deferred tax.
- Current income tax expense comprises taxes on income from operations in India and in foreign jurisdiction. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.
- Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax on future income. Accordingly, MAT is recognized as an asset in the Balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.
- A provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted tax rates.
- Deferred tax assets are recognized only if there is a virtual certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.
- Refund of Income Tax is accounted on realisation basis.





16 B. Notes Forming Part Of Consolidated Financial Statements As On 31st March, 2017

1. List of Entities consolidated and their respective share of Net Asset and Profit/Loss-

Name of the Entities	Net Worth		Share in Profit/(Loss)	
	Percentage of Net Assets	Amount (in '000) (₹)	Percentage of Profit/(Loss)	Amount (in '000) (₹)
Holding Company				
The New India Assurance Company Limited	94.55	110232826	96.36	10079315
Subsidiaries Companies				
a. The New India Assurance Company (Trinidad and Tobago) Limited	1.38	1613449	1.13	118094
b. Prestige Assurance plc. – Nigeria	0.96	1117600	0.79	82480
c. The New India Assurance Co. (S.L) Ltd-Free Town, Sierra Leone	0.00	796	0.00	(204)
Share of Minority	(0.33)	(385623)	(0.42)	(44181)
Associates				
a. India International	3.41	3981044	2.23	233150
b. Health India TPA	0.02	27802	(0.08)	(8873)
	100.00	116587894	100.00	10459781
Summary of Position				
Share of Holding Company		116202270		10415600
Share of Minority		385623		44181
Total		116587894		10459781

2. The accounts of subsidiary companies and the associate M/s India International Insurance Pte Ltd., which are combined in the consolidated financial statements, are prepared on calendar year basis in accordance with the local requirements and these have been consolidated as such. There are no material changes during the quarter January 2017 to March 2017 requiring adjustments to the figures reported in the audited/ unaudited accounts as received.
3. Since the accounts of subsidiary companies and associate as stated in Note (2) are prepared on the basis of calendar year, the intra group balances have not been eliminated in full and the residual balances are retained in the respective head of accounts. The precise impact arising out of the above is presently not ascertainable.
4. The accounts incorporate Audited accounts of Branches in Fiji, Thailand and unaudited accounts of Canada (run off) which are prepared on calendar year basis as per the requirement of local laws. There are no material changes for the quarter January 2017 to March 2017. The accounts of 2 run off Agencies (Colombo and Saudi Arabia) and one representative office at Myanmar have been incorporated on the basis of unaudited accounts.
5. Land include book value ₹ 243.41 Lakhs (Previous Year ₹ 173.78 Lakhs) out of which deed of conveyance yet to be executed is ₹ 124.97 lakhs (Previous Year ₹ 51.92 Lakhs) and lease deed expired is ₹ 118.44 lakhs (Previous Year ₹ 118.44 lakhs). Building include book value ₹ 2066.95 lakhs (Previous Year ₹ 3073.84 lakhs) where registration formalities are yet to be completed/title deeds are not presently available. One property of ₹ 3.42 lakhs (Previous Year ₹ 3.42 lakhs) is not in the possession of the Company. Properties worth ₹ 163.61 lakhs (Previous Year ₹ 102.70 lakhs) are yet to be registered in the name of company. The exercise of compilation of precise data in this respect is under progress.





6. The changes made during the year in the accounting policies followed along with the consequential impact are as follows:
- Expenses of management including provision for bad and doubtful debts and exchange gain/loss, are apportioned to the revenue accounts on the basis of net premium which was hitherto being done on the basis of Gross direct premium plus reinsurances accepted. Consequent to this change revenue surplus in case of Fire and Marine Insurance revenue Accounts is higher by ₹16780.72 lakhs and ₹ 1262.16 lakhs respectively with corresponding decrease of ₹18042.88 lakhs in case of Misc insurance revenue account for the year. There is no impact on the profit for the year.
 - In accordance with the approval received from IRDAI, Unearned Premium Reserve (UPR) in respect of domestic business towards segments other than Marine hull, has been computed on the basis of 1/365th method on the unexpired period of respective policies as against 50% of the net premium in each segment. Consequent to this change, the revenue deficit in case of Fire Insurance Revenue Account is higher by ₹15401.61 lakhs, in case of Marine Revenue Account the surplus is higher by ₹3997.92 lakhs and in case Misc Revenue Accounts the deficit is lower to the extent of ₹ 64492.43 lakhs. Profit before tax for the year is higher to the extent of ₹53088.73 lakhs consequent to this change in the accounting policy. The company is in the process of implementing systems and procedures to implement the IRDAI guidelines regarding following the 1/365 method in case of Foreign business and therefore, the impact of pending compliance is presently not ascertainable. Systems and procedures in domestic business in few segments are also being strengthened to compute the UPR based on data input in the accounting systems of the company. In the opinion of the management the impact of pending compliances is not expected to be material.
 - Investment assets are bifurcated between Shareholders and Policyholders at 'fund' level on notional basis in accordance with IRDAI guidelines. Composition of policy holders fund is also done in accordance with the IRDAI guidelines issued during the year. Consequent to this change, income from investments allocated to policy holders is lower to the extent of ₹ 8288.99 lakhs with corresponding increase in income allocated to shareholders.
 - Securities Transaction tax which was being treated as an expense of the year of acquisition of investment, is now added to the cost of investments. Consequent to this change, profit before tax for the year is higher by ₹ 64.64 lakhs with corresponding increase in cost of investments.
7. As certified by the Custodian, securities are held by the Company as on 31.03.2017. Variations and other differences which include excess of market value as per the custodian as compared to books amounting to ₹ 418.66 lakhs are being reconciled, while shortages have been provided for. In the opinion of the management, these are not expected to have a material impact on the state of affairs of the Company.
8. (a) Provision for standard assets @ 0.40% amounting to ₹ 3730.22 lakhs (Previous Year ₹3358.97 Lakhs) has been made as per Insurance Regulatory and Development Authority of India guidelines on (i) Term Loan (PFPS/DTL), (ii) Debentures, (iii) Infrastructure Investments, (iv) Bonds/Debentures of HUDCO, (v) Bonds/Debentures of Institutions accredited to NHB and (vi) Govt. Guaranteed Bonds/Securities (vii) Housing and Fire fighting Loans to State Governments and (ix) Debtors.
- (b) The amount of total corporate debt/loans etc. restructured under various categories are being compiled. During the year, the Company has undertaken restructuring as under:

Sr. No.	Particulars	Current Year	Previous Year
		(₹ in Lakhs)	(₹ in Lakhs)
	Total amount of assets subjected to restructuring	844.24	1277.77
	The break up of the same is given here under:		
(i)	Total amount of standard assets subjected to restructuring	268.62	Nil
(ii)	Total amount of sub-standard assets subjected to restructuring	Nil	Nil
(iii)	Total amount of doubtful assets subjected to restructuring	575.62	1277.77
	Total	844.24	1277.77





(c) Details of Non Performing Assets (NPA).

I) Details of Non Performing Assets (NPA)

Sr. No.	Particulars	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
(i)	Opening Balance	11501.04	13484.46
(ii)	Additions During the Year	NIL	Nil
(iii)	Reductions During the Year	632.82	1983.42
(iv)	Closing Balance	10868.22	11501.04
	Percentage of Net NPAs to Net Assets	0.00%	0.00%

II) Details of Provisions on NPA (other than standard provisions)

Sr. No.	Particulars	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
(i)	Opening Balance	11501.04	12248.71
(ii)	Incremental Provision During the Year	-632.82	-747.67
(iii)	Closing Balance	10868.22	11501.04

9. Short-term Investments (Schedule - 8) in debentures and other guaranteed securities include those, which are fully repayable in the next year. As regards those debentures and other guaranteed securities, which have fallen due and remain unpaid as on 31.03.2017, they have been shown under long-term investments, as their realisability is unascertainable. However, necessary provision, wherever required, has been made.
10. There are following cases of non-compliance/contravention of Insurance Regulatory & Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002:
 - i) Segmental reporting in respect of Public and Product Liability is not disclosed separately for foreign business.
 - ii) The provisions against loans ₹6286.35 Lakhs (PY ₹6805.12 Lakhs) have been shown in Schedule 14 "Provisions". Consequently, the "Loans" shown in the Schedule 9 have not been reduced to the extent of provisions made against thereof, as required by Part V of Schedule B of the Regulation.
11. As required IRDAI circular no. IRDA/F&I/CIR/CMP/174/11/2011 dated 14.11.2010 age wise analysis of unclaimed amount of the policyholders amounting to ₹ 13875.41 lakhs (PY ₹14081.18 lakhs) at the year ended March 31,2017 representing the excess premium collected, refund premium and the amount lying in stale cheque accounts and unclaimed amount towards claim is as under :

(₹ in lakhs)								
Particulars	Total Amount	1-6 Months	7-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	Beyond 36 Months
Claims settled but not paid to policyholders / insured due to any reason except under litigation from insured / policyholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sum due to the insured / policyholders on maturity or otherwise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Any excess collection of premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	6785.77	1241.17	420.32	327.27	307.23	389.60	266.37	3833.82
Cheques issued but not encashed by the policyholder / insured	7089.64	652.12	456.53	334.01	255.78	318.23	255.26	4817.71





Further as per the IRDA circular no IRDA/F&A/CIR/CPM/134/07/2015 Company has invested the above said total amount of ₹ 13875.41 lakhs in fixed deposit and interest accrued on such Fixed deposit has been allocated to the fund amount.

12. Prior period items have been included in the respective heads amounting to ₹223.12 lakhs (Dr) [Previous Year ₹ 765.43 lakhs (Dr)]consisting of the following: -

(₹ in lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		Debit Amount	Credit Amount	Debit Amount	Credit Amount
1	Premium	-	-	-	10.15
2	Commission	-	-	-	-
3	Claims	-	-	-	-
4	Expenses	223.12	-	778.72	-
5	Income	-	-	-	3.14
	Total	223.12	-	778.72	13.29

13. Disclosure as required by Accounting Standards (AS) :

A. Related party disclosures as per Accounting Standard 18

1. Company's related parties

a) Subsidiaries:

- i) The New India Assurance Co. (T & T) Ltd. – Port of Spain, Trinidad & Tobago.
- ii) The New India Assurance Co. (S.L.) Ltd. – Free Town, Sierra Leone.
- iii) Prestige Assurance Plc. – Nigeria

b) Associates:

- i) India International Insurance Pte. Ltd., Singapore.
- ii) Health Insurance TPA of India Ltd.

c) Key management personnel of the Company:

Name of person	Role/Designation	Upto
Mr. G. Srinivasan	Chairman cum Managing Director	
Mr.Hemant G. Rokade	Director & General Manager	
Ms. T.L. Alamelu	Director & General Manager	
Mr.Rakesh Kumar	Chief Marketing Officer	
Ms Tajinder Mukherjee	General Manager – Chief Underwriting Officer	
Ms. S.N. Rajeswari	General Manager, Financial Advisor & CFO	
Mr. Sharad Ramnarayanan	Appointed Actuary	
Mr. S. Shankar	Chief Risk Officer	
Mr. S. Harinath	Chief Investment Officer	
Ms Jayashree Nair	Company Secretary & Chief Compliance Officer	
Mr. V. Hari Srinivas	General Manager, Financial Advisor & CFO	May 2016
Mr. P. Nayak	Director & General Manager	May 2016





2. Transactions with related parties:

Sr. No.	Nature of Relationship	Nature of Transaction	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
i)	Subsidiaries	Management fees earned (NIA T&T)	47.96	49.20
		Premium on Reinsurance Accepted	412.38	403.00
		Commission on Reinsurance Accepted	(104.83)	(98.00)
		Claims Paid	(139.87)	(169)
		Dividend income received (NIA T&T)	250.19	289.72
		Loan Installments & Interest Received Prestige Assurance Nigeria	NIL	673.35
		Interest Accrued Prestige Assurance Nigeria	30.44	13.09
ii)	Associates	Premium on Reinsurance Accepted	723.94	1566.85
		Commission on Reinsurance Accepted	(123.73)	(301.67)
		Claims Paid	(952.37)	(1219.00)
		Dividend income received from III Singapore	480.77	351.75
		Additional Equity Infusion in Health TPA of India	NIL	(1187.50)
		TPA fees paid to Health TPA of India	92.60	0
iii)	Key Management Personnel	Salary and allowances	224.14	221.72

B. Disclosure as per Accounting Standard 20-“Earnings Per Share”:

Particulars	Current Year	Previous Year
Net profit attributable to shareholders (₹ in Lakhs)	104597.81	85172.10
Weighted average number of equity shares issued	200000000	200000000
Basic and diluted earnings per share of ₹10/- each (₹)	52.30	42.59

The company does not have any outstanding diluted potential equity share. Consequently, the basic and diluted earnings per share of the company remain the same.

C. Taxation:

Income Tax:

- Provision for Tax - Current Tax shown in Profit & Loss Account includes ₹ 1039.72 lakhs (Previous year ₹ 2609 lakhs) relating to foreign taxes.
- The Income Tax Assessments of the Company have been completed up to Assessment Year 2014-15. Major disputed demands are in respect of profit on sale of investment and related exemptions from tax liability. Based on the decisions of the appellate authority and the interpretations of the relevant provisions, the management is of the opinion that the demands are likely to be either deleted or substantially reduced and accordingly no provisions have been made for the same.
A demand of ₹27778.53 lakhs was raised for the Assessment Year 2014-15. The same was set off against the refund arising out of ITAT order for AY 2007-08.
- The Company has received ₹1914.51 lakhs towards income tax pertaining to Assessment Year 2004-05, without details of such refund as to the component of interest, if any, the company is following up for the same with the Income Tax Department. Pending receipt of such details, the amount of ₹1914.51 lakhs has been adjusted against advance tax/self-assessment tax.
- During the year interest on income tax refund amounting to ₹ 13259.22 lakhs has been recognised on realisation basis.





v) Deferred Taxes:

The major components of temporary differences resulting into deferred tax assets are as under:

Particulars	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
Fixed Assets	(849.48)	(661.03)
Leave Encashment	23093.23	22519.43
Estimated Disallowance u/s 40(a)(ia)	34.61	34.61
Gratuity	-	-
LTS	-	-
Total	22278.36	21893.01

Notes:

- (1) A sum of ₹ 565.10 lakhs (Previous Year ₹ 4925.91 lakhs) has been credited to the Profit & Loss Account on account of increase in deferred assets during the year.
- (2) On prudence basis recognition of deferred tax asset on unabsorbed depreciation and carry forward losses has not been given effect in the books of accounts.
- (3) Above deferred tax asset does not include impact of deferred tax in respect of operations of foreign branches.
- (4) The company continues to recognise the deferred tax asset as hitherto, as in the opinion of the management there are sufficient evidences to establish the virtual certainty of realisation of the DTA from the future taxable profits.

D. Accounting Standard 15 – Employee Benefits

The details of employee benefits for the period on account of gratuity, superannuation which are funded defined employee benefit plans and encashment which is an unfunded defined benefit plan are as under:

(₹ in Lakhs)

I	Components of employer expense		Pension		Gratuity		Encashment	
			C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
			Funded				Unfunded	
	A	Current Service Cost	10,138	8,554	2,110	2,234	1,048	1,270
	B	Interest Cost	29,272	24,924	9,084	7,698	5,199	3,853
	C	Expected Return on Plan Assets	(24,922)	(23,814)	(7,640)	(7,501)	-	-
	D	Curtailment Cost/(Credit)	-	-	-	-	-	-
	E	Settlement Cost/(Credit)	-	-	-	-	-	-
	F	Past Service Cost	-	-	-	-	-	-
	G	Actuarial Losses/(Gains)	462	61,867	(941)	15,644	3,979	20,919
	H	Amortised/(Deferred) Cost	17,094	(34,880)	4,349	(8,698)	-	-
	I	Total expense recognized in the statement of Profit and Loss Account	32,044	36,651	6,962	9,377	10,226	26,042
II	Actual Returns for the year 31.03.2017		26,290	26,195	8,230	8,250	-	-





III Net Asset/(Liability) recognized in Balance Sheet at 31.03.2017								
	A	Present Value of Defined Benefit Obligation	3,51,235	3,72,896	1,07,582	1,13,689	66,728	65,070
	B	Fair Value of Plan Assets	3,25,159	3,17,484	1,00,619	95,617	-	-
	C	Status (Surplus/Deficit)	(26,076)	(55,412)	(6,963)	(18,072)	(66,728)	(65,070)
	D	Un recognized Past Service Cost	17,785	-	4,350	-	-	-
	E	Net Asset / (Liability) recognized in Balance Sheet	(8,291)	(55,412)	(2,613)	(18,072)	(66,728)	(65,070)

IV Change in Defined Benefit Obligation during the year ended 31.03.2017								
	A	Past value of the Defined Benefit Obligation at the beginning of the period	3,72,896	3,14,692	1,13,689	96,835	65,070	48,650
	B	Current Service Cost	10,138	8,554	2,110	2,234	1,048	1,270
	C	Interest Cost	29,272	24,924	9,084	7,698	5,199	3,853
	D	Curtailment Cost/(Credit)	-	-	-	-	-	-
	E	Settlement Cost/(Credit)	-	-	-	-	-	-
	F	Plan Amendments	-	-	-	-	-	-
	G	Acquisitions	-	-	-	-	-	-
	H	Actuarial Losses/(Gains)	1,830	64,248	(351)	16,393	3,979	20,738
	I	Asset Loss / (Gain)	-	-	-	-	-	-
	J	Benefits Paid	(62,901)	(39,522)	(16,950)	(9,471)	(8,568)	(9,441)
	K	Present Value of Defined Benefit Obligation at the end of the period	3,51,235	3,72,896	1,07,582	1,13,689	66,728	65,070

V Change in the Fair Value of Assets during the year ended 31.03.2017								
	A	Plan Assets at the beginning of the period	3,17,484	3,00,674	95,617	94,335	-	-
	B	Acquisition Adjustment	-	-	-	-	-	-
	C	Expected return on Plan Assets	24,922	23,814	7,640	7,501	-	-
	D	Asset (Losses)/Gains	1,368	2,381	590	749	-	-
	E	Actual Company Contributions	44,286	30,137	13,722	2,503	-	-
	F	Benefits Paid	(62,901)	(39,522)	(16,950)	(9,471)	-	-
	G	Plan Assets at the end of the period	3,25,159	3,17,484	1,00,619	95,617	-	-





VI Transitional Provisions							
	(Income)/Expense to be recognised	320.44	-	69.62	-	-	-
VII Actuarial Assumptions							
A	Discount Rate (%)	7.22%	7.85%	7.51%	7.99%	-	-
B	Expected Return on Plan Assets (%)	7.22%	7.85%	7.51%	7.99%	-	-
c	Rate of escalation in salary	3.50%	3.50%	3.50%	3.50%	-	-

VIII Major Category of Plan Assets as % of the Total Plan Assets as at 31.03.2017							
A	Government Securities	47.29%	47.37%	47.02%	50.37%	-	-
B	High Quality Corporate Bonds	43.25%	41.95%	43.25%	38.74%	-	-
C	Others	9.46%	10.68%	9.73%	10.90%	-	-

IX	Basis used to determine the expected rate of return on plan assets	The expected rate of return on plan assets is based on the current portfolio of the assets, investment strategy and the market scenario, in order to protect capital and optimize returns within acceptable risk parameters, the plan assets are well diversified.
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E: Accounting for Lease(AS-19)

The Company's Office Premises and Residential flats for employees are obtained on operating lease and are renewable / cancellable at mutual consent. There are no restrictions imposed by lease agreements. Lease terms are based on individual agreements. Significant leasing arrangements are in respect of operating lease for premises. Aggregate lease rentals amounting to ₹ 11313.03 lakhs (PY ₹ 9586.77 lakhs) in respect of obligation under operating lease are charged to Revenue Account.

F: Impairment of Assets(AS-28)

During the year, the Company has reviewed its fixed assets for impairment. In the opinion of the management no provision for impairment loss is considered necessary. However, impairment assessment as required by AS-28 would be done in due course.

14. The pay revision of the officers and employees has been carried out by the Public Sector General Insurance Companies in the year 2015-16 consequent upon the Gazette Notification dated 23.01.2016 issued by the Ministry of Finance. As a result the additional liability of Pension and Gratuity on account of pay revision has been arrived at ₹ 50247.00 lakhs and ₹13047.00 lakhs respectively as per the actuarial valuation carried out.

In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire additional liability of ₹50247.00 lakhs for pension and ₹13047.00 lakhs for gratuity is required to be charged to the Profit & Loss Account. However vide circular communications ref IRDA/F&A/CIR/ACTS/077/04/2016 dated 18/04/2016 and IRDA/F&A/LR/001/2016/6 dated 19.04.2016, IRDAI has permitted the amortisation of expenditure relating to additional liability towards gratuity and pension over a period of three years commencing from FY 2015-16. Accordingly, the Company has recognised the additional liability and an amount of ₹ 16749.00 lakhs for pension and ₹ 4349.00 lakhs for gratuity is charged to the revenue in the current year and balance amount remaining to be amortised in next year is ₹ 16749.00 lakhs and ₹4349.00 lakhs for pension and gratuity respectively.

The Pension Scheme 1995 has been extended to PSU officers and staff members who joined until 31.03.2010, By virtue of the Gazette Notification no. 233(E), 234(E) and 235(E) dated 23.01.2016, the incremental liability towards pension arising out of the above extension has been arrived at ₹1727.00 lakhs based on actuarial valuation.

In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire amount of ₹1727.00 lakhs for pension is required to be charged to the Profit & Loss Account. However, IRDA vide Circular ref IRDA/





F&A/CIR/ACTS/077/04/2016 dated 18.04.2016 has permitted the amortisation of expenditure relating to the additional liability over a period of five years commencing from FY 2015-16 and accordingly, an amount of ₹ 345.40 lakhs is charged to the revenue in the current year and balance amount remaining to be amortised in next three years is ₹ 1036.20 lakhs for pension.

15. The management is currently in the process of identifying enterprises which have been providing goods and services to the Company which qualify under the definition of medium and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such Micro, Small, and Medium Enterprises as at 31st March, 2017 has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
16. "Foreign Exchange Reserve Account has decreased by ₹19047.08 lakhs (Dr.) due to depreciation of foreign currency under the following heads (Previous Year ₹18859.69 lakhs (Cr.) consisting of the following."

(₹ in Lakhs)

Sr No.	Particulars	Current Year		Previous Year	
		Debit Amount	Credit Amount	Debit Amount	Credit Amount
1	Head Office Account	19047.08	-	-	18859.69
2	Outstanding claims	-	-	-	-
3	Fixed assets	-	-	-	-
	Total	19047.08	-	-	18859.69

17. Penalty

As per IRDAI Circular No 005/IRDA/F&A/CIR/MAY-09 dated May 07, 2009, below table mentions the details of the penalty imposed by various regulators and Government authorities during the year:

Sr. No.	Authority	Non-Compliance/ Violation	₹ in Lakhs		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority / TAC	NIL	Nil	Nil	Nil
2	Service Tax Authorities	Nil	Nil	Nil	Nil
3	Income Tax Authorities	Nil	Nil	Nil	Nil
4	Any other Tax Authorities	Nil	Nil	Nil	Nil
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	Nil	Nil	Nil
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	Nil	Nil	Nil	Nil
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	Nil	Nil	Nil
8	Securities and Exchange Board of India	Nil	Nil	Nil	Nil
9	Competition Commission of India	Refer note below	20	20	Nil
10	Any other Central/State/Local Government / Statutory Authority	Nil	Nil	Nil	Nil





Note: The Company received an order from Competition Commission of India imposing a penalty of ₹ 25107 lakhs in 2015-16. The Company contested against the order in Competition Appeal Tribunal and the Tribunal awarded penalty of ₹20 lakhs as against ₹25107 lakhs of CCI order. The penalty was paid in January 2017. CCI has appealed against the order of Tribunal at the Apex Court and the case has been admitted in the Apex Court in March 2017.

18. The Company has created Equalization Reserve in respect of London Branch as required by the UK Regulations. This reserve is not available for distribution as Dividend. During the year, the reserve has been decreased by 1.6 million GBP and the closing reserve as at the year end stood at ₹ 8900.18 lakhs (GBP 11 million). Further, in accordance with Oman Insurance Company Law, company has created contingency reserve for claims for Muscat agency for 5 million Omani Riyal. During the year, the same has been revalued at ₹ 8422.07 lakhs due to currency fluctuation.
19.
 - a) The balance appearing in the amount due to/ due from persons or bodies carrying on insurance business including reinsurance business are subject to confirmation/ reconciliation and consequential adjustments if any. In case of co insurance balances, the reconciliation and settlement process to clear balances is in progress. During the year, the company has settled the receivable balances of ₹106596 lakhs and payable balances of ₹ 110899 lakhs. As on March 31,2017, there is a net Debit balance of ₹35695 lakhs with Pradhan Mantri Fasal Bima Yojna (PMFBY) comprising ₹ 131597 lakhs (Dr.) and ₹ 95902 lakhs (Cr); and net debit balance of ₹14539 lakhs, with other than PMFBY comprising ₹83121 lakhs (Dr.) and ₹68582 Lakhs (Cr.) The net balance outstanding as on March 31,2016 were ₹ 48951 lakhs (Dr.) comprising of ₹134302 lakhs (Dr.) and ₹85351 lakhs (Cr.) There was no PMFBY business during the previous year. As regards Reinsurance balances, RI Balances reconciliation is an ongoing process though confirmations of balances are done at a regular intervals, not on a specific cut-off date (i.e. Annual Closing date). Further, the company has maintained provision of ₹ 10414.56 lakhs upto 31.03.2017 towards doubtful debts as a prudent measure.
 - b) The reconciliation of various accounts relating to inter office accounts related to domestic and foreign operations amounting to ₹ 25192.25 lakhs (Dr.), (P.Y. ₹21974.58 lakhs) (Dr.), Control Accounts, old balances appearing in legacy software, sundries and suspense, few Bank Accounts, loans, other assets and other liabilities etc. is under progress. The impact of the above, if any, on the financial statements are unascertainable.
20. Reinsurance acceptance transactions pertaining to the year have been booked for advices received up to 19th April, 2017.
21. Receipts & Payments Account/(Cash Flow Statement) have been drawn under "Direct Method" as required by Part I of Schedule B of the regulation. However, the same is subject to reconciliation of various inter office and other accounts including few Bank Accounts.
22. The company is in the process of updating the fixed asset register with reference to full particulars, quantitative details and location thereof at certain locations. Further, physical verification of fixed assets in respect of some locations is also stated to be in progress.
23. In accordance with the provisions of the Companies Act, 2013, the Company had to spend an amount of ₹2696.81 lakhs for the F.Y. 2016-17 towards Corporate Social Responsibility. During the year an amount of ₹1894.79 lakhs has been spent against the total sanction of ₹2107.11 lakhs. The balance could not be spent as various projects are in the completion stage.
24. Unexpired premium reserve at revenue segment level is found to be sufficient to cover the expected claim cost as certified by the appointed actuary and the claims related expenses as estimated by the management. Hence, no premium deficiency reserve is required to be provided during the year.
25. Demonetization- Specified Bank Notes

The presentation of financial statements of the company is governed under the provisions of IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and circulars and/





or guidelines issued there under and hence, the provisions of Section 129(1) of the Companies Act, 2013 with regard to applicability of Schedule III of the Companies Act, 2013 are not applicable to the company and hence, the disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30th March, 2017 is not applicable to the Company.

26. At Navsari Divisional office under Surat Regional office of the company, transactions comprising un-authorised/ illegally authorised claims having been posted in the accounting system and paid, were observed during the year in case of one of the dealers relating to the financial years 2011-12 to 2016-17. As per the investigations carried so far, an amount of ₹ 152.00 lakhs (approx) has been identified to have been excess paid in this respect. The detailed investigations to assess the total amount of such irregularities is in progress and the management has taken appropriate action against the concerned dealer/employees. An amount of ₹ 80.79 lakhs has since been recovered and recovery of balance amount identified is in progress. No provision in this regard has been considered necessary since in the opinion of the management, the excess payments are considered recoverable in full.
27. The Board of Directors at their meeting have proposed a dividend of 155% of the paid up capital of the company subject to the approval of the members at the ensuing Annual General Meeting. In terms of revised Accounting Standard (AS-4) Contingencies and Events occurring after the Balance Sheet date as notified by the Ministry of Corporate Affairs through the amendments to the Companies (Accounting Standard) Rules 2016, the company has not appropriated proposed dividend (including tax) amounting to ₹ 37311.92 lakhs from the Profit & Loss Account for the year ended on March 31, 2017.
28. Previous year figures have been regrouped/ rearranged, wherever necessary.



**16 C. Disclosures Forming Part of Consolidated Financial Statements**

(₹ in Lakhs)

Sr. No	Particulars	Current Year	Previous Year
	Disclosures made in respect of Contingent Liabilities includes those of subsidiaries. Other disclosures forming part of accounts are in respect of Holding Company as there are no other significant items to be disclosed in respect of subsidiaries and disclosures in terms of IRDAI guidelines are not applicable to subsidiaries incorporated outside India.		
1	The details of contingent liabilities are as under:		
(a)	Partly-paid up investments	4,688.72	283.22
(b)	Underwriting commitments outstanding	-	-
(c)	Claims, other than those under policies, not acknowledged as debts	835.28	2,413.08
(d)	Guarantees given by or on behalf of the Company	170.94	88.62
(e)	Statutory demands/liabilities in dispute not provided for	267,734.23	239,294.66
(f)	Reinsurance obligations to the extent not provided for in accounts	-	-
(g)	Others (matters under litigation) to the extent ascertainable	4,747.94	26,240.53
(h)	Potential Tax Liability towards distribution received from Venture Fund	1,540.41	1,540.41
2	The details of encumbrances to the assets of the Company are as under:		
(a)	In India	5,123.33	3,744.13
(b)	Outside India		221.76
3	Commitment made and outstanding for Loans Investments and Fixed Assets	13,161.63	51.52
4	Claims, less reinsurance, paid to claimants:		
(a)	In India	1,254,574.91	1,004,556.91
(b)	Outside India	198,818.08	180,341.26
5	Claim liabilities where claim payment period exceeds four years.	-	-
6	Amount of claims outstanding for more than six months (Gross Indian)	864,304.22	647,149.85
	No. of Claims	162,425	147,006
	Amount of claims outstanding for less than six months (Gross Indian)	266,036.25	368,017.59
	No. of Claims	141,933	152,222
	Total amount of claims outstanding (Gross Indian)	1,130,340.47	1,015,167.44
	Total No. of claims outstanding	304,358	299,228
7	Premiums, less reinsurances, written from business		
(a)	In India	1,576,548.63	1,290,998.76
(b)	Outside India	282,543.04	300,192.22
8	The details of contracts in relation to investments, for		
	Purchases where deliveries are pending	37.20	-
	Sales where payments are overdue	-	-
	Sales where deliveries are pending	2,200.72	481.86
9	Amount of Claims settled and remaining unpaid for a period of more than six months as on balance sheet date are as under:		
	No. of claims	-	-
10	Investments made in accordance with statutory requirements are as under:		
(a)	In India- Under Sec.7 of Insurance Act 1938	-	-
(b)	Outside India- Statutory Deposits under local laws	81,529.06	55,357.38
11	Segregation of investments into performing and non-performing investments where NPA Provision is required as per IRDA Guidelines is as under:		
	Performing (Standard) Investments	932,554.73	839,742.61
	Non Performing Investments	10,868.22	11,501.04
	Total Book Value (Closing Value)	943,422.95	851,243.65





- 12 All significant accounting policies forming part of the Consolidated Financial Statements are disclosed separately.
- 13 Operating expenses relating to insurance business are apportioned to the revenue account on the basis of Net premium.
- 14 In compliance of Section 197 of the Companies Act, 2013, the total managerial remuneration paid to its Directors including Managing Director, Whole Time Directors, and Managers in respect of Financial Year 2016-17, does not exceed 11% of Net Profit of the Company.
- 15 The Company does not have Real Estate Investment Property.
- 16 Sector-wise break-up of gross direct premium written in India is as under:

Sector	Current Year			Previous Year		
	₹ in Lakhs	Percentage	Number of Policies/lives	₹ in Lakhs	Percentage	Number of Policies/lives
Rural	292535.00	15.30	466219 (Policies)	246614.57	16.28	4639139 (Policies)
PMFBY	104642.00	5.47	355474	0.00	0.00	
Social	53094.60	2.78	254418431 (Lives)	53717.80	3.55	74161700 (Lives)
Others	1461197.63	76.44		1214618.51	80.18	
Total	1911469.23	100.00		1514950.88	100.00	





17 Performance Ratios

i) Gross Premium Growth Rates :

SEGMENT	Gross Direct Premium (₹ in Lakhs)						Growth Rate (%)					
	Current Year			Previous Year			Current Year			Previous Year		
	Indian	Foreign	Global	Indian	Foreign	Global	Indian	Foreign	Global	Indian	Foreign	Global
Fire	182428.22	72725.21	255153.43	169183.62	85768.37	254951.99	7.83	-15.21	0.08	2.85	4.77	3.49
Marine	34175.55	3749.99	37925.54	33490.88	4577.26	38068.15	2.04	-18.07	-0.37	1.85	-11.85	-0.02
Cargo												
Marine Hull	26827.04	1655.45	28482.49	28262.43	1147.74	29410.17	-5.08	44.24	-3.15	-16.00	-78.68	-24.64
Marine Total	61002.59	5405.44	66408.03	61753.31	5725.00	67478.31	-1.22	-5.58	-1.59	-7.18	-45.87	-12.48
Motor	760067.17	126341.64	886408.81	617728.51	125171.09	742899.60	23.04	0.94	19.32	15.12	38.99	18.55
Personal Accident	37551.35	2151.81	39703.16	21078.34	1837.15	22915.49	78.15	17.13	73.26	13.57	-6.86	11.61
Aviation	12451.28	0.00	12451.28	11455.99	0.00	11455.99	8.69	0.00	8.69	9.79	0.00	9.79
Engineering	49935.58	8030.32	57965.90	49409.80	8710.66	58120.46	1.06	-7.81	-0.27	18.28	-11.71	12.55
Health	595961.06	12536.83	608497.88	484785.31	11347.86	496133.16	22.93	10.48	22.65	22.99	49.64	23.49
Liability*	35284.02	13274.02	48558.04	29780.24	14873.80	44654.04	18.48	-10.76	8.74	12.63	-1.41	7.53
Others	176787.96	7857.14	184645.10	69775.75	7946.20	77721.94	153.37	-1.12	137.57	12.66	-21.27	7.91
Misc sub Total	1668038.42	170191.75	1838230.17	1284013.94	169886.76	1453900.70	29.91	0.18	26.43	17.81	26.16	18.73
Grand Total	1911469.23	248322.40	2159791.63	1514950.88	261380.13	1776331.01	26.17	-5.00	21.59	14.69	15.10	14.75

*Liability includes Workmen's compensation

ii) Gross Direct Premium to Net Worth Ratio:

Particulars	Current Year	Previous Year
a. Gross Direct Premium	2159791.63	1776331.01
b. Net Worth	1102328.26	982193.21
Gross Direct Premium to Net Worth Ratio (Times) (a/b)	1.96	1.81

(₹ in Lakhs)

iii) Growth Rate of Net Worth:

	Current Year	Previous Year	Growth (CY)	Growth (PY)	Growth % (CY)	Growth % (PY)
Net Worth	1102328.26	982193.21	120135.05	9970.07	12.23	1.03

(₹ in Lakhs)





iv) Net Retention Ratio : Indian

Segment	Current Year (₹ in Lakhs)			Previous Year (₹ in Lakhs)		
	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)
Fire	191209.97	89360.27	46.73	177757.43	86842.87	48.85
Marine Cargo	34111.55	27412.93	80.36	33676.73	25054.00	74.40
Marine Hull	27406.33	1758.40	6.42	29849.21	8426.36	28.23
Marine Total	61517.88	29171.32	47.42	63525.94	33480.36	52.70
Motor	764666.22	725748.89	94.91	629890.31	585527.08	92.96
Personal Accident	38031.38	35977.14	94.60	21462.30	19328.14	90.06
Aviation	13122.21	1096.72	8.36	11797.74	288.91	2.45
Engineering	53120.06	28671.98	53.98	53405.00	26002.28	48.69
Health	595961.06	540936.19	90.77	484785.31	455155.29	93.89
Liability*	37424.02	28009.01	74.84	29920.40	24239.11	81.01
Others	198245.35	97577.10	49.22	76542.87	60134.73	78.56
Misc sub Total	1700570.30	1458017.03	85.74	1307803.93	1170675.54	89.51
Grand Total	1953298.16	1576548.63	80.71	1549087.30	1290998.76	83.34

* Liability includes Workmens' compensation

Net Retention Ratio : Foreign

Segment	Current Year (₹ in Lakhs)			Previous Year (₹ in Lakhs)		
	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)
Fire	156829.71	111361.13	71.01	159881.08	126976.37	79.42
Marine Cargo	4550.24	4353.68	95.68	5294.99	5080.91	95.96
Marine Hull	3944.00	2999.62	76.06	3774.81	2827.63	74.91
Marine Total	8494.24	7353.30	86.57	9069.80	7908.53	87.20
Motor	127946.04	113095.54	88.39	126694.32	114091.49	90.05
Personal Accident	2373.91	2254.92	94.99	2243.05	2136.00	95.23
Aviation	7360.50	7315.47	99.39	7143.89	7075.93	99.05
Engineering	10526.99	7485.01	71.10	11264.90	7732.62	68.64
Health	12536.83	12536.83	100.00	11347.86	11347.86	100.00
Liability*	13248.26	12507.47	94.41	14998.64	14399.84	96.01
Others	9457.46	8633.37	91.29	9508.55	8523.58	89.64
Misc sub Total	183449.99	163828.60	89.30	183201.21	165307.31	90.23
Grand Total	348773.94	282543.04	81.01	352152.09	300192.22	85.25

* Liability includes Workmens' compensation





Net Retention Ratio: Global

Segment	Current Year (₹ in Lakhs)			Previous Year (₹ in Lakhs)		
	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)	Gross Written Premium	Net Written Premium	Net Retention Ratio (%)
Fire	348039.68	200721.41	57.67	337638.51	213819.24	63.33
Marine Cargo	38661.79	31766.60	82.17	38971.00	30134.39	77.33
Marine Hull	31350.33	4758.02	15.18	33624.03	11253.99	33.47
Marine Total	70012.12	36524.62	52.17	72595.74	41388.89	57.01
Motor	892612.26	838844.43	93.98	756584.64	699618.56	92.47
Personal Accident	40405.29	38232.05	94.62	23705.35	21464.14	90.55
Aviation	20482.71	8412.19	41.07	18941.63	7364.83	38.88
Engineering	63647.05	36156.99	56.81	64669.90	33734.91	52.16
Health	608497.88	553473.02	90.96	496133.16	466503.15	94.03
Liability*	50672.28	40516.48	79.96	44919.04	38638.95	86.02
Others	207702.81	106210.47	51.14	86051.42	68658.31	79.79
Misc sub Total	1884020.29	1621845.63	86.08	1491005.14	1335982.86	89.60
Grand Total	2302072.10	1859091.66	80.76	1901239.39	1591190.98	83.69

* Liability includes Workmens' compensation

v) Net Commission Ratio to Net Written Premium

SEGMENT	Net Commission (₹ in Lakhs)						Net Commission Ratio (%)					
	Current Year			Previous Year			Current Year			Previous Year		
	Indian	Foreign	Global	Indian	Foreign	Global	Indian	Foreign	Global	Indian	Foreign	Global
Fire	2647.13	31413.30	34060.42	-1630.41	39786.01	38155.60	2.96	28.21	16.97	-1.88	31.33	17.84
Marine Cargo	3411.60	1071.83	4483.42	3507.67	1281.03	4788.70	12.45	24.62	14.11	14.00	25.21	15.89
Marine Hull	-306.34	361.57	55.23	-416.40	427.96	11.55	-17.42	12.05	1.16	-4.94	15.13	0.10
Marine Total	3105.25	1433.40	4538.66	3091.27	1708.99	4800.25	10.64	19.49	12.43	9.23	21.61	11.60
Motor	20957.72	24555.20	45512.92	18616.81	25983.10	44599.91	2.89	21.71	5.43	3.18	22.77	6.37
Personal Accident	2602.37	646.85	3249.21	2222.47	655.60	2878.06	7.23	28.69	8.50	11.50	30.69	13.41
Aviation	-395.46	1177.69	782.23	-379.70	715.00	335.30	-36.06	16.10	9.30	-131.43	10.10	4.55
Engineering	-406.00	1910.98	1504.98	-732.70	2209.92	1477.21	-1.42	25.53	4.16	-2.82	28.58	4.38
Health	27639.18	2927.32	30566.50	29112.52	2811.70	31924.22	5.11	23.35	5.52	6.40	24.78	6.84
Liability*	3148.04	2869.37	6017.41	2740.83	3640.45	6381.28	11.24	22.94	14.85	11.31	25.28	16.52
Others	4095.51	1985.98	6081.49	7831.28	1991.45	9822.72	4.20	23.00	5.73	13.02	23.36	14.31
Misc sub Total	57641.36	36073.39	93714.75	59411.49	38007.21	97418.71	3.95	22.02	5.78	5.07	22.99	7.29
Grand Total	63393.75	68920.09	132313.83	60872.35	79502.21	140374.56	4.02	24.39	7.12	4.72	26.48	8.82

* Liability includes Workmens' compensation

vi) Expense of Management to Gross Direct Premium Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Gross Direct Premium	2159791.63	1776331.01
b. Expense of Management	378202.87	351580.00
c. Direct Commissions	151872.80	151106.68
Expense of Management to Gross Direct Premium Ratio (%) ((b+c)/a)	24.54	28.30





vii) Expense of Management to Net Written Premium Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Written Premium	1859091.66	1591190.98
b. Expense of Management	378202.87	351580.00
c. Direct Commissions	151872.80	151106.68
Expense of Management to Net Written Premium Ratio (%) ((b+c)/a)	28.51	31.59

viii) Net Incurred Claims to Net Earned Premium:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Earned Premium	1781478.05	1495982.60
b. Net Incurred Claims	1625692.87	1314118.64
Net Incurred Claims to Net Earned Premium Ratio (%) (b/a)	91.26	87.84

ix) Combined Ratio:

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Indian	Foreign	Global	Indian	Foreign	Global
a. Net Earned Premium	1490196.42	291281.63	1781478.05	1242164.82	253817.78	1495982.60
b. Net Incurred Claims	1428407.37	197285.51	1625692.87	1120208.22	193910.41	1314118.64
c. Net Written Premium	1576548.63	282543.04	1859091.66	1290998.76	300192.22	1591190.98
d. Expense of Management	359284.00	18918.87	378202.87	334447.00	17133.00	351580.00
e. Net Commission	63393.75	68920.09	132313.83	60872.35	79502.21	140374.56
Combined Ratio (%) (b/a+(d+e)/c)	122.66	98.82	118.72	120.80	108.59	118.76

x) Technical Reserves to Net Premium Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Written Premium	1859091.66	1591190.98
b. Reserves for Unexpired Risks	878836.11	801222.50
c. Premium Deficiency Reserves	0.00	0.00
d. Reserves for Outstanding Claims (Including INBR & IBNER)	1791207.79	1632605.88
e. Total Technical Reserves (b+c+d)	2670043.90	2433828.38
Technical Reserves to Net Premium Ratio (Times) (e/a)	1.44	1.53

xi) Underwriting Balance Ratio:

(₹ in Lakhs)

Segment	Current Year			Previous Year		
	Net Earned Premium	Underwriting Profit	UW Balance Ratio (Times)	Net Earned Premium	Underwriting Profit	UW Balance Ratio (Times)
Fire	191868.71	-78995.97	-0.41	207325.70	-41085.22	-0.20
Marine Cargo	34948.67	1282.36	0.04	30919.39	1210.95	0.04
Marine Hull	11253.99	-1981.79	-0.18	16380.43	3880.66	0.24
Marine Total	46202.66	-699.43	-0.02	47299.82	5091.61	0.11
Motor	739007.39	-119705.61	-0.16	649999.69	-67282.30	-0.10
Personal Accident	32139.94	-3098.87	-0.10	20863.14	-2877.36	-0.14
Aviation	7928.16	-1088.39	-0.14	7060.02	-4416.90	-0.63
Engineering	35530.55	497.56	0.01	34120.88	-4358.53	-0.13
Health	580818.63	-169083.09	-0.29	424181.45	-194103.33	-0.46
Liability*	42190.83	18304.39	0.43	37873.16	8045.90	0.21
Others	105791.19	-862.10	-0.01	67258.75	-9103.85	-0.14
Misc sub Total	1543406.68	-275036.12	-0.18	1241357.08	-274096.37	-0.22
Grand Total	1781478.05	-354731.53	-0.20	1495982.60	-310089.97	-0.21



**xii) Operating Profit Ratio:**

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Earned Premium	1781478.05	1495982.60
b. Underwriting Profit	-354731.53	-310089.97
c. Investment Income - Policy Holders	299036.00	266582.00
d. Operating Profit (b+c)	-55695.53	-43507.97
Operating Profit Ratio (%) (d/a)	-3.13	-2.91

xiii) Liquid Assets to Liabilities Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Short Term Investments	242075.53	217375.05
b. Short Term Loans	0.00	0.00
c. Cash & Bank Balances	801917.55	708274.41
d. Total Liquid Assets (a+b+c)	1043993.08	925649.46
e. Policy Holders Liabilities	2670043.90	2433828.38
Liquid Assets to Liabilities Ratio (Times) (d/e)	0.39	0.38

xiv) Net Earnings Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Premium	1859091.66	1591190.98
b. Profit After Tax	100793.31	82869.21
Net Earnings Ratio (%) (b/a)	5.42	5.21

xv) Return on Net Worth Ratio:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Net Worth	1102328.26	982193.21
b. Profit After Tax	100793.31	82869.21
Return on Net Worth Ratio (%) (b/a)	9.14	8.44

xvi) Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Available Solvency Margin (ASM)	1113468.47	917778.92
b. Required Solvency Margin (RSM)	507353.03	398661.91
ASM to RSM Ratio (Times) (a/b)	2.19	2.30

xvii) NPA Ratio

(₹ in Lakhs)

Particulars	Current Year	Previous Year
a. Total Investment Assets	2932276.89	2618055.85
b. Gross NPA	10868.22	11501.04
c. Net NPA	0.00	0.00
Gross NPA Ratio (%)	0.37	0.44
Net NPA Ratio (%)	0.00	0.00



**18 Summary of Financial Statements**

(₹ in Lakhs)

No	Particulars	2016-2017	2015-16	2014-15	2013-14	2012-13
1	Gross Direct Premium	2159791.63	1776331.01	1548035.95	13,72,760.87	1187348.80
2	Net Earned Premium #	1781478.05	1495982.60	1331529.12	11,19,687.46	945063.91
3	Income from Investments(Net)@	299036.00	266582.00	258948.65	2,13,926.78	186008.87
4	Other income (Prem Deficiency)	0.00	0.00	0.00	3,519.41	0.00
5	Total Income	2080514.05	1762564.60	1590477.77	13,37,133.65	1131072.78
6	Commissions (net incl Brokerage)	132313.83	140374.56	128387.08	1,17,260.59	84316.79
7	Operating Expenses	378202.87	351579.38	306060.01	2,63,034.94	237409.00
8	Net Incurred Claims	1625692.87	1314118.64	1118803.56	9,38,095.49	814307.00
9	Change in Unexpired Risk Reserves	77613.61	95208.38	62351.30	88,174.09	82352.71
10	Operating Profit/Loss	-55695.52	-43507.97	37227.12	18,742.63	2524.11
	Non Operating Result					
11	Total Income under Shareholders' A/c	172081.26	134063.07	140402.67	110699.00	98598.00
12	Profit/(Loss) Before Tax	116385.74	90555.10	177629.79	129442.41	101122.11
13	Provision for Tax	15592.54	7686.61	34507.34	20544.00	16756.00
14	Net Profit/(Loss) after Tax	100793.20	82868.49	143122.45	108898.41	84366.11
	Miscellaneous					
15	Policy Holders' Account :					
	Total Funds	2670043.90	2433828.38	2204859.76	2040960.26	1730647.29
	Total Investments	1944392.81	1689955.05	1681833.14	1407751.02	1191693.13
	Yield on Investments	15.40	14.61	15.68	15.17	14.46
16	Shareholders' Account :					
	Total Funds	1102328.26	982193.21	972223.14	862129.70	773736.33
	Total Investments	987884.08	928100.80	799478.67	693369.90	596561.87
	Yield on Investments	15.40	14.61	15.68	15.17	14.46
17	Paid up Equity Capital	20000.00	20000.00	20000.00	20000.00	20000.00
18	Net Worth	1102328.26	982193.21	972223.14	862129.70	773736.33
19	Total Assets	6917281.06	6288006.57	6171962.53	5309531.00	4537552.41
20	Yield on Total Investments(%)	15.40	14.61	15.68	15.17	14.46
21	Earning per Share (₹)	50.40	41.43	71.56	54.45	42.18
22	Book value per Share(₹)	551.16	491.10	486.11	431.06	386.87
23	Total Dividend	0.00	25000.00	30000.00	22000.00	17000.00
24	Dividend per Share (₹)	0.00	12.50	15.00	11.00	8.50

Net of Re-insurance

@ Net of losses



**19 Age wise analysis of outstanding claims as on 31.03.2017 (Gross Indian excluding provision for IBNR and IBNER)**

Segment	Less than 90 Days		90 Days to 6 Months		6 Months to 1 Year		1 Year to 2 Years	
	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)
Fire	598	27,698.38	845	38,618.66	702	103,438.26	349	42,290.39
Marine Cargo	1,050	3,655.81	429	1,619.20	483	2,586.84	128	4,803.44
Marine Hull	36	3,700.28	42	38,841.42	52	4,046.78	30	5,763.96
Motor OD	46,351	23,255.42	6,466	7,759.09	4,531	5,955.08	664	1,358.37
Motor TP	7,941	33,722.60	7,901	35,256.10	19,113	83,248.22	26,420	116,536.13
Health Insurance	6,2166	23,688.44	731	275.51	2,349	2,441.29	421	855.90
Liability	330	1,283.96	191	870.94	314	3951.82	268	2,569.45
Personal Accident	1,594	4,061.98	327	885.08	290	669.40	69	311.27
Engineering	779	4,301.81	372	3,378.86	380	19,233.99	113	11,178.77
OTHERS	2,356	7,507.35	1,428	5,655.37	1,611	9,752.41	495	10,180.71
Total	123,201	132,876.04	18,732	133,160.21	29,825	235,324.11	28,957	195,848.39

Segment	2 Years to 3 Years		3 Years to 5 Years		5 Years and above		Total	
	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)	No	Amount (₹ in lakhs)
Fire	154	21,202.64	190	10,269.17	529	43,481.13	3,367	286,998.62
Marine Cargo	107	7,794.89	99	1,417.25	245	2,905.81	2,541	24,783.25
Marine Hull	24	5,140.16	26	959.33	57	4,844.45	267	63,296.37
Motor OD	377	676.32	605	949.44	1,034	1,586.11	60,028	41,539.85
Motor TP	17,048	76,080.12	21,225	83,108.22	56,843	146,726.96	156,491	574,678.35
Health Insurance	214	157.17	271	228.66	269	235.30	6,6421	27,882.26
Liability	214	711.39	357	2,104.02	626	3,168.45	2,300	14,660.02
Personal Accident	39	108.94	51	118.58	97	406.04	2,467	6,561.29
Engineering	35	2,802.86	44	4,579.14	54	439.16	1777	45,914.60
OTHERS	266	1,821.50	650	2,518.40	1,893	6,590.12	8,699	44,025.86
Total	18,478	116,496.00	23,518	106,252.21	61647	210,383.52	304,358	1,130,340.47





- 20** Investment income (Net of Expenses) is apportioned between Revenue Accounts and Profit and Loss account in proportion to the balance in the shareholders funds and policyholders' funds at the beginning of the year. The same is further apportioned to fire, marine and miscellaneous Revenue Accounts in proportion to the technical reserve balance at the beginning of the year.
- 21** The UPR at a revenue segment level was found to be sufficient to cover the expected claims cost as certified by the Appointed Actuary and the claim related expenses as estimated by the management. Hence no premium deficiency reserve is required to be provided.

Jayashree Nair
Company Secretary

S. N. Rajeswari
Chief Financial Officer

T. L. Alamelu
Director
DIN No.07628279

Hemant G. Rokade
Director
DIN No.06417520

G. Srinivasan
Chairman-Cum-Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Mumbai
3rd May, 2017

Mukesh Kumar Gupta
Partner
Membership Number 073515

Pradeep J. Shetty
Partner
Membership Number 046940



**SUMMARY OF OFFICES (AS ON 31.03.2017)**

Sr.No.	REGIONAL OFFICE	CODE NO.	DO	BO	DAB	MICRO OFFICES	TOTAL
1	MUMBAI - I	110000	12	0	0	9	21
2	MUMBAI - II	140000	14	5	2	16	37
3	MUMBAI - III	120000	10	2	0	0	12
4	MUMBAI - IV	130000	9	0	1	10	20
5	MUMBAI - V	170000	9	5	0	18	32
6	PUNE	150000	23	30	1	63	117
7	NAGPUR	160000	13	16	1	73	103
8	AHMEDABAD	210000	19	18	0	62	99
9	BARODA	220000	10	6	0	18	34
10	SURAT	230000	9	5	1	27	42
11	DELHI - I	310000	18	14	1	17	50
12	DELHI - II	320000	14	19	2	42	77
13	JAIPUR	330000	16	19	1	64	100
14	DEHRADUN	340000	12	24	0	55	91
15	CHANDIGARH	350000	20	34	1	60	115
16	LUDHIANA	360000	17	30	2	51	100
17	KANPUR	420000	17	37	1	77	132
18	BHOPAL	450000	17	23	1	78	119
19	RAIPUR	460000	8	7	0	32	47
20	KOLKATA	510000	20	27	1	50	98
21	GUWAHATI	530000	11	20	0	49	80
22	PATNA	540000	10	29	1	49	89
23	BHUBANESHWAR	550000	10	24	1	43	78
24	HYDERABAD	610000	22	19	2	61	104
25	VISHAKHAPATNAM	620000	15	20	1	50	86
26	BENGALURU	670000	15	22	0	31	68
27	HUBLI	680000	8	17	0	12	37
28	CHENNAI	710000	25	20	4	62	111
29	COIMBATORE	720000	14	17	1	45	77
30	MADURAI	730000	15	17	0	68	100
31	ERNAKULAM	760000	25	62	1	52	140
	TOTAL		457	588	27	1344	2416

HO	ROs	Auto Hub	LCBOs	IFSC INS.	DOs	BOs	DABs	MOs	Total
1	31	1	7	1	457	588	27	1344	2457



**FOREIGN BRANCHES**

	Country	Agencies	Year of commencement of operations
1.	Abu Dhabi	1. Abu-Dhabi	1973
2.	Dubai	2. Dubai	1961
3.	Bahrain (One)	3. Bahrain	1959
4.	Kuwait (One)	4. Kuwait	1953
5.	Oman (One)	5. Muscat	1975
6.	Dutch Caribbean (One)	6. Aruba	1963
7.	Netherlands Antilles (One)	7. Curacao	1954

B. SUBSIDIARY COMPANIES

	Country		Year of commencement of operations
1.	Nigeria	1. Lagos 2. Kano 3. Port Harcourt	1970
2.	Trinidad & Tobago	1. Port of Spain	1966
3.	St. Lucia	2. Castries	
4.	Dominica	3. Roseau	
5.	St. Maarten	4. Philipsburg	
6.	Guyana	5. Guyana	
7.	Anguilla	6. Anguilla	1973
8.	Sierra Leone	1. Freetown	

C. REPRESENTATIVE OFFICE

	Country		Year of commencement of operations
1.	Myanmar	1. Yangon	2015

D. ASSOCIATE

India International Insurance Pte. Ltd. Singapore

E. PRESENCE IN OTHER COUNTRIES :

WAFA Insurance, Saudi Arabia.

Kenindia Assurance Company Ltd. Nairobi, Kenya





**FOREIGN BRANCHES & AGENCIES,
ASSOCIATE & SUBSIDIARY COMPANIES**

"NEW INDIA" has 18 Branch offices in 9 Countries and 7 Agency Offices in 7 Countries. "NEW INDIA" also has 1 Representative Office in Myanmar and 3 Subsidiary Companies in 8 Countries. New India has presence in 28 countries.

A. FOREIGN BRANCHES

	Country	Branches	Year of commencement of operations.
1.	Japan (Seven)	1. Tokyo	1950
		2. Nagoya	1964
		3. Hiroshima	1973
		4. Okayama	1980
		5. Sapporo	1978
		6. Osaka	1962
2.	Hong Kong (One)	7. Hong Kong	1952
3.	Philippines (One)	8. Manila	1930
4.	Thailand (One)	9. Bangkok	1948
5.	Australia (One)	10. Sydney	1955
6.	Fiji (Four)	11. Suva	1954
		12. Lautoka	1967
		13. Labasa	1982
		14. Nadi	1996
7.	Mauritius (One)	15. Port Louis	1935
8.	U.K. (Two)	16. London- Fenchurch	1920
		17. Ipswich	2000
9.	New Zealand (One)	18. Auckland	2004





A.M. Best Company

certifies that

The New India Assurance Company Limited

has a

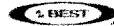
**Best's Financial Strength Rating
of
A- (Excellent)**



Arthun Singh
President

Certificate Publication Date: January 29, 2016

Best's Ratings are subject to change.
To confirm the latest rating or to learn more
about A.M. Best's ratings, visit www.ambest.com
A.M. Best Company
Ambest Road, Oldwick, NJ 08858 USA



Stefan Holzner
Chief Rating Officer

A- (Excellent) with Stable Outlook for Financial Strength by AM Best Company

CRISIL
RATINGS

Crissil has reaffirmed its "AAA/Stable" rating Indicating that the company has the Highest Degree of Financial Strength to Honour its Policyholders Obligations





Leadership and beyond

दि न्यू इंडिया एश्योरन्स कंपनी लिमिटेड
The New India Assurance Co. Ltd.

India's Premier Multinational General Insurance Company

Regd & Head Office: New India Assurance Bldg., 87, M.G. Road,
 Fort, Mumbai-400 001, INDIA

IRDAI REGN. No. 190

CIN : U 99999 MH 1919 GOI 000 526

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