

The New India
Assurance Company
Limited - New
Zealand Branch

Annual report

for the year ended 31 March 2015

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Annual report

In the opinion of the Directors of the New India Assurance Company Limited - New Zealand Branch ("the Branch") the financial statements and notes, on pages 5 to 28:

- comply with New Zealand generally accepted accounting practice and give a true and fair view of the financial position of the Branch as at 31 March 2015 and the results of operations for the year ended on that date
- have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Branch and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Branch, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The Directors are pleased to present their Annual Report, together with the financial statements of The New India Assurance Company Limited - New Zealand Branch for the year ended 31 March 2015. As required by Section 211 of the Companies Act 1993 we disclose the following information:

- The results of operations for the year and the state of affairs of the Branch, as reported in the financial statements, were as expected by the Directors.
- No dividends are payable by the Branch.
- The Directors had no interests in contracts with the Branch except as disclosed in note 24.
- The Directors do not receive any remuneration from the Branch.
- Two employees received remuneration and other benefits of between \$100,000 - \$110,000.
- Donations amounting to \$865 were made by the Branch during the year.
- The Auditors remuneration from the Branch is as disclosed at Note 7.

Director G. SRINIVASAN.

Date: 24.07.2015



Director K. SANATHKUMAR

Date: 24.07.2015

Directory

Nature of business	General Insurance
Registered Office	Level 5 63 Albert Street Auckland New Zealand
Incorporation number	1489374
Director	V.R. Iyer (resigned 30 May 2015) R.K. Khullar (resigned 25 February 2015) K.S. Kumar G. Srinivasan S.G. Subramanian (resigned 24 August 2014) S. Ullah A. Kumar (resigned 05 June 2014) K. L. Ravindranath Babu (appointed 21 August 2014) P. Bakliwal (resigned 24 August 2014)
Auditor	DFK Oswin Griffiths Carlton Chartered Accountants
Banker	ANZ Bank

PARTNERS

David S. Griffiths CA ACIS
Navin C Patel BCA CA
Mukesh K Parshottam BCA CA
Shane Browning MBA CA
CA (Australia) CPA (USA)
Sanjay Kumar B Com CA
Michael McNab B Com CA
Paul Collins B Com CA
Barry Graham CA CMANZ

INDEPENDENT AUDITORS REPORT

To The Shareholders of The New India Assurance Company Limited - New Zealand Branch

Report on the Financial Statements

We have audited the financial statements of The New India Assurance Company Limited - New Zealand Branch on pages 5 to 28 which comprise the statement of financial position as at 31 March 2015, the statement of comprehensive income, the statement of changes in equity and statement of cash flows and financial performance for the year then ended, and a summary of significant accounting policies and other explanatory information.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 207(B)1 of the Companies Act 1993. Our audit work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). 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 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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We make it happen!

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

Other than in our capacity as auditor we have no other relationship with, or interest in, The New India Assurance Company Limited - New Zealand Branch except for the provision of tax compliance services.

Opinion

In our opinion, the financial statements on page 5 to 28 present fairly, in all material respects, the financial position of The New India Assurance Company Limited - New Zealand Branch as at 31 March 2015, and of its financial performance and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards.

DFK Oswin Griffiths Carlton

DFK Oswin Griffiths Carlton
Chartered Accountants
24 July 2015
Auckland, New Zealand

Statement of financial position

as at 31 March 2015
in New Zealand Dollars

	Note	2015 \$	2014 \$
Assets			
Cash and cash equivalents		2,493,086	944,570
Trade and other receivables	13	3,576,898	3,820,643
Deferred acquisition costs	15	2,072,921	3,019,394
Investments	12	6,540,037	10,671,822
Total current assets		14,682,942	18,456,429
Property, plant and equipment	10	35,465	43,236
Intangibles	11	74	185
Investments	12	28,018,155	19,844,246
Total non-current assets		28,053,694	19,887,667
Total assets		42,736,636	38,344,096
Liabilities			
Trade and other payables	16	1,448,637	1,582,827
Outstanding claim provision	18	4,639,071	6,485,536
Income tax payable	9	788,465	1,579,986
Employee benefits	17	33,153	38,623
Unearned premium reserve	19	5,333,296	6,337,522
Total current liabilities		12,242,622	16,024,494
Deferred tax liability	14	531,190	708,024
Total non-current liabilities		531,190	708,024
Total liabilities		12,773,812	16,732,518
Equity			
Retained earnings		14,418,266	11,127,102
Total equity		14,418,266	11,127,102
Head office account	24	15,544,558	10,484,476
Total equity and head office account		29,962,824	21,611,578
Total liabilities and equity		42,736,636	38,344,096

This statement is to be read in conjunction with the notes to the financial statements.

Statement of comprehensive income

for the year ended 31 March 2015

in New Zealand Dollars

	Note	2015 \$	2014 \$
Gross earned premium revenue	6	12,145,029	15,500,654
Outwards reinsurance premium expense		(1,827,035)	(232,077)
Net premium revenue		10,317,994	15,268,577
Claims expense		(1,606,673)	(2,978,325)
Reinsurance and other recoveries revenue	6	190,255	2,277,203
Net claims incurred		(1,416,418)	(701,122)
Acquisition costs		(5,277,211)	(5,688,460)
Other underwriting expenses	7	(524,964)	(832,402)
Underwriting expenses		(5,802,175)	(6,520,862)
Underwriting profit		3,099,401	8,046,593
Investment income	8	1,549,103	1,009,935
Profit before income tax expense		4,648,504	9,056,528
Income tax expense	9	(1,357,340)	(3,036,442)
Profit for the period		3,291,164	6,020,086
Other comprehensive income			
Total comprehensive income for the period		3,291,164	6,020,086

This statement is to be read in conjunction with the notes to the financial statements.

Statement of changes in equity

for the year ended 31 March 2015
In New Zealand Dollars

	Retained earnings	Total
	\$	\$
Balance at 1 April 2013	5,107,016	5,107,016
Total comprehensive income for the year		
Profit for the year	6,020,086	6,020,086
Other comprehensive income	-	-
Total comprehensive income for the year	6,020,086	6,020,086
Balance at 31 March 2014	11,127,102	11,127,102
Balance at 1 April 2014	11,127,102	11,127,102
Total comprehensive income for the year		
Profit for the year	3,291,164	3,291,164
Other comprehensive income	-	-
Total comprehensive income for the year	3,291,164	3,291,164
Balance at 31 March 2015	14,418,266	14,418,266

This statement is to be read in conjunction with the notes to the financial statements.

Statement of cash flows

for the year ended 31 March 2015
in New Zealand Dollars

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Premiums received		12,000,160	13,295,708
Reinsurance and other recoveries received		438,485	146,817
Interest received		1,037,340	1,014,182
Interest paid		(24,297)	(60,871)
Claims paid		(3,453,138)	(3,659,189)
Outwards reinsurance premiums paid		(1,782,111)	(217,579)
Acquisition expenses paid		396,091	(1,098,503)
Other underwriting expenses paid		(690,738)	(876,461)
Income tax paid		(2,325,695)	(821,840)
Net cash inflows from operating activities	22	5,596,097	7,722,264
Cash flows from investing activities			
Investment in term deposits at banking institutes		(4,042,124)	(7,516,782)
Purchase of property, plant and equipment		(5,457)	(5,482)
Net cash outflows from investing activities		(4,047,581)	(7,522,264)
Net increase in cash and cash equivalents		1,548,516	200,000
Opening cash and cash equivalents		944,570	744,570
Closing cash and cash equivalents		2,493,086	944,570

This statement is to be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1 Statement of Accounting Policies

Reporting Entity

The financial statements are for the New Zealand Branch of The New India Assurance Company Limited (the 'Branch'). The Branch is a Branch of The New India Assurance Company Limited, a company incorporated in India and an overseas company registered under the Companies Act 1993. The Branch is an FMC Reporting Entity in terms of the Financial Markets Conduct Act 2013 and the financial statements have been prepared in accordance with the requirements of that Act and the Financial Reporting Act 2013.

The Branch is a for-profit reporting entity.

The Branch provides general insurance services directly to other entities.

The Branch's financial statements should be read in conjunction with the full financial statements of the overseas company.

The financial statements of the Branch are for the year ended 31 March 2015. The financial statements were authorised for issue by the Directors on the date included on page 2.

(a) Basis of Preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ('NZ GAAP'). They comply with the New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and other applicable Financial Reporting Standards as appropriate to Tier 1 for-profit entities. The financial statements comply with International Financial Reporting Standards (IFRS).

The financial statements are presented in New Zealand dollars (\$). This is the Branch's functional and presentation currency.

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis, as modified by certain exceptions as described in the accounting policies below.

In the application of NZ IFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. It is possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the asset or liability affected.

Notes to the financial statements (continued)

(b) Basis of Measurement (continued)

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of NZ IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed where applicable in the relevant notes to the financial statements.

(c) Changes in Accounting Policies and Comparatives

All accounting policies have been applied consistently to all periods presented in the financial statements.

(d) Principles of General Insurance

An insurance contract is defined as a contract under which one party (the insurer) accepts significant risk from another party (the policy holder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. The insurance activities of the Branch all arise from general insurance contracts.

(e) Revenue

(i) Premium revenue

Direct and inwards insurance premium revenues represent amounts charged in relation to accepting risk from policy holders or other insurers and do not include amounts collected on behalf of third parties.

The earned portion of premiums received and receivable, including unclosed business is recognised as revenue from the date of attachment of risk. Premium revenue is recognised evenly over the period of the policy or the period of indemnity on the basis of the 24ths method which is considered to closely approximate the pattern of incidence of risk.

The unearned portion of premium is recognised within unearned premium liabilities in the Statement of Financial Position.

(ii) Investment income

All investment income is recognised as revenue on an accrual basis. Interest income is recognised on a time proportion basis using the simple interest method. Assets are designated at fair value through profit and loss and the related net realised and unrealised gains and losses are included in the Statement of Comprehensive Income as investment revenue.

(f) Outward Reinsurance Expense

Premium ceded to reinsurers is recognised as an expense from the date of attainment of risk over the period of indemnity of the reinsurance contract in accordance with the expected pattern of the incidence of risk.

(g) Reinsurance Commission Income

Reinsurance commission income is earned on business ceded to reinsurers. Commission income is recognised as the service is performed.

(h) Claims

The Branch's claims liability is measured as the present value of expected future payments relating to claims incurred at the reporting date. The expected future payments include those estimates in relation to the claims incurred but not enough reported (IBNER) and claims incurred but not reported (IBNR) based on past experience.

Claims incurred all relate to providing services, including the bearing of risk, and are accordingly treated as expenses in the Statement of Comprehensive Income. Claims expenses represent total claim payments made during the year adjusted for the movement in the outstanding claims liability.

Notes to the financial statements (continued)

(h) Claims (continued)

The claims liability is measured based on the valuations performed by the Appointed Actuary whose key assumptions are outlined in note 3.

(i) Liability Adequacy Testing

Liability adequacy testing is performed in order to recognise any deficiencies in the Statement of Comprehensive Income arising from the carrying amount of the unearned premium liability less any related deferred acquisition costs and intangible assets not meeting the estimated future claims under current insurance contracts.

The estimated future claims under current insurance contracts are measured using the present value of the expected cash flows relating to future claims and associated expenses (discounted using a risk free discount rate) plus the additional fair value risk margin to reflect the inherent uncertainty of those estimated cash flows.

Liability adequacy testing is performed at the level of a portfolio of contracts that are subject to broadly similar risks and are managed together as a single portfolio.

(j) Reinsurance Recoveries

Reinsurance recoveries are recognised when due and measured on initial recognition at the fair value of the consideration receivable. Subsequent to initial recognition, reinsurance recoveries are measured at cost less impairment. A reinsurance asset is impaired if there is objective evidence as a result of an event that occurred after initial recognition of the asset that the amounts due may not be received and the amount can be reliably measured. An impairment is recognised in the profit and loss.

(k) Deferred Acquisition Costs

Acquisition costs incurred in writing and renewing of insurance contracts are deferred and recognised as assets where they can be reliably measured and where it is probable that they will be recoverable out of future premiums. Deferred acquisition costs are amortised in accordance with expected pattern of incidence of risk under the insurance to which they relate.

Deferred acquisition costs are measured at the lower of cost and recoverable amount. An impairment review is performed at each reporting date or more frequently when an indication of impairment arises. When the recoverable amount is less than the carrying value, an impairment loss is recognised in the profit or loss. Deferred acquisition costs are also considered in the liability adequacy test for each reporting period. Deferred acquisition costs are derecognised when the related contracts are either settled or disposed of.

(l) Taxes

Current Income Tax

Current Income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted by the reporting date in the countries where the Branch operates and generates taxable income. Current Income tax assets and liabilities also include adjustments for tax expected to be payable or recoverable in respect of previous periods.

Deferred Tax

Deferred tax is provided using the liability method in respect of temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Notes to the financial statements (continued)

(l) Taxes (continued)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(m) Property, Plant and Equipment

Owned assets

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses.

Depreciation

Depreciation is charged to the Statement of Comprehensive Income. The following rates have been used:

Other assets	19.2%- 25% diminishing value
Office equipment	30% - 60% diminishing value
Fixtures and fittings	12% - 40% diminishing value
Motor vehicles	26% diminishing value

The residual value of assets is reassessed annually.

(n) Intangible Assets

Software is a finite life intangible asset and is recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a diminishing value basis so as to write off the cost less the estimated residual value of these assets over their estimated useful lives. The amortisation expense is included in the Statement of Comprehensive Income. The diminishing rate of 60% has been used in preparing the financial statements.

(o) Investments

Investments are measured at market value as at balance date and changes in market values are recognised in the Statement of Comprehensive Income.

Notes to the financial statements (continued)

(p) Impairment

The carrying amounts of the Branch's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of Comprehensive Income.

Estimated recoverable amount of investments and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at their original effective interest rate. Receivables with short duration are not discounted.

Estimated recoverable amount of investments is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(q) Trade and Other Receivables

Accounts receivable are stated at their estimated net realisable value after allowance for bad or doubtful debts and credit notes due. An allowance is established when the Branch will not be able to collect all amounts due to the original term of the receivable. Any decrease or increase of the allowance is recognised in the Statement of Comprehensive Income.

(r) Provisions

A provision is recognised when the Branch has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates, and, where appropriate, the risks specific to the liability.

(s) Equity Retention

It is the policy of the shareholders to ensure that equity retained provides an adequate level of solvency when measured against capital requirements to support the assets of the Branch. The Head Office account is subordinated to all liabilities of the Branch and will not be repaid unless there is an adequate surplus of assets over liabilities after repayment of the Head Office account.

(t) Reinsurance Programme

Reinsurance is purchased to make the Branch's results less volatile by reducing the effect that individual large claims and catastrophic events leading to multiple claims have on results.

The experience based model has been adopted while purchasing catastrophic reinsurance cover.

The majority of reinsurance has been arranged on excess of loss treaty basis and facultative cover is used where certain risks are falling outside the limits provided under excess of loss treaty to ensure complete financial protection.

Notes to the financial statements (continued)

(u) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of Comprehensive Income over the lease term as an integral part of the total lease expense.

(v) Finance Income and Expenses

Finance income comprises interest income. Finance expenses comprise interest expense on borrowings. Interest income is recognised in the Statement of Comprehensive Income as it accrues using the effective interest method. The interest expense component of finance lease payments is recognised in the Statement of Comprehensive Income using the effective interest rate method.

(w) Goods and Services Tax

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

(x) Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity investments', 'available-for-sale financial assets', and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Currently the Branch has only classified financial assets in the 'loans and receivables' and 'at fair value through profit or loss' categories.

Loans and receivables

Trade receivables, loans and other receivables and cash and cash equivalents that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

(y) Financial Liabilities

Trade and other payables are recognised when the Branch becomes obliged to make future payments resulting from the purchase of goods and services.

Trade and other payables are classified as 'other financial liabilities'. Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount of the liability.

(z) Assets Backing General Insurance Liabilities

The Branch maintains its investment portfolio to ensure that investments are part of the current assets available to meet its insurance liabilities as they become due and payable.

Notes to the financial statements (continued)

(aa) New accounting standards and interpretations not yet adopted

The Branch has not adopted any new standards or interpretations early.

New or revised standards and interpretations that have been approved but are not yet effective have not been adopted by the Branch for the year ended 31 March 2015. The adoption of these standards and interpretations is not expected to have a material recognition or measurement impact on the Branch's financial statements.

The Branch will adopt the following new and revised standards when they become mandatory.

- NZ IFRS 9 - Financial Instruments

NZ IFRS 9 was issued in September 2014 as a complete version of the standard. NZ IFRS 9 replaces the parts of NZ IAS 39 that relate to the classification and measurement of financial instruments, hedge accounting and impairment. NZ IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the NZ IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The new hedge accounting model more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risks. NZ IFRS 9 introduces a new expected credit loss model for calculating the impairment of financial assets. This standard is effective for reporting periods beginning on or after 1 January 2018. The adoption of this standard is not expected to have a material impact on the measurement of the Branch's assets and liabilities.

- NZ IFRS 15 - Revenue from contracts with customers

NZ IFRS 15 addresses recognition of revenue from contracts with customers. It replaces the current revenue recognition guidance in NZ IAS 18 Revenue and NZ IAS 11 Construction Contracts and is applicable to all entities with revenue. It sets out a five step model for revenue recognition to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. This standard is effective for periods beginning on or after 1 January 2017. The adoption of this standard is not expected to have a material impact on the measurement of the Branch's assets and liabilities as the new standard does not apply to insurance contracts.

- Disclosure Initiative: Amendments to NZ IAS 1

In December 2014 the XRB issued amendments to NZ IAS 1 Presentation of Financial Statements as part of its major initiative to improve presentation and disclosure in financial reports (the "Disclosure Initiative"). These amendments will not require any significant change to current practice, but should facilitate improved financial statement disclosures. The amendments are effective for annual periods beginning on or after 1 January 2016. The adoption of this standard is not expected to have a material impact on the measurement of the Branch's assets and liabilities.

- Annual Improvements to NZ IFRS (2010 - 2012) and (2011-2013) cycles

The Branch intends to adopt these amendments in its financial statements for the annual period beginning on 1 April 2015. The Branch does not expect the amendments to have a material impact on the financial statements.

- Measurement of short-term receivables and payables; and scope of portfolio exception in NZ IFRS 13 Fair Value Measurement;
- Restatement of accumulated depreciation (amortisation) on revaluation in NZ IAS 16 Property Plant & Equipment and NZ IAS 18 Intangible Assets;
- Definition of "related party" in NZ IAS 24 Related Party Disclosures.

The Branch intends to adopt the following amendment in its financial statements for the annual period beginning on 1 April 2016. The Branch does not expect the amendments to have a material impact on the financial statements.

- Changes in method for disposal under NZ IFRS 5 Non Current Assets Held for Sale and Discontinued Operations.

Notes to the financial statements (continued)

2 Accounting Judgements and Estimates

The Branch makes estimates and assumptions that affect the reported amounts of assets and liabilities at year end. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas in which accounting estimates are applied are described below.

Key sources of estimation uncertainty

The key area of estimation uncertainty for the Branch is in its estimation of outstanding claims and reinsurance recoveries.

The ultimate liability arising from claims made under insurance contracts

Provision is made at the year-end for the estimated cost of claims incurred but not settled at the end of the reporting period, including the cost of IBNR and IBNER to the Branch.

The Branch takes all reasonable steps to ensure that it has appropriate information regarding its claims exposure. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

The estimation of IBNR and IBNER is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Branch, where more information about the claim event is generally available. In calculating the estimated cost of unpaid claims the Branch uses a variety of estimation techniques, generally based upon statistical analyses of historical experience, which assumes that the development pattern of the current claims will be consistent with past experience. Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics or which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims including:

- changes in the economic environment
- changes in the mix of business
- changes in claims management practice

Provisions are calculated gross of all recoveries.

The methods used to analyse past claims experience and to project future claims experience are largely determined by the available data and the nature and maturity of the portfolio.

The determination of an appropriate outstanding claims liability and the specific assumptions used are detailed in note 3.

3 Actuarial Assumptions and Methods

The actuary who carried out the valuation of the IBNR reserve of the Branch is Marcelo Lardies from the actuarial team at Aon New Zealand.

Report date: 15 July 2015

Qualification: Fellow of the New Zealand Society of Actuaries

The report relied on historical data and other qualitative and quantitative information provided by The New India Assurance Company Limited - New Zealand Branch. The actuary also reconciled the business data to the financial data in which the overall result is acceptable.

Notes to the financial statements (continued)

3 Actuarial Assumptions and Methods (continued)

Unexpired risk liability

The unearned premium liability was found to be adequate as at 31 March 2015.

The probability of sufficiency (POS) adopted in performing the liability adequacy test (LAT) is set at the 75th percentile which is the same as that adopted in determining the outstanding claims liability (OCL).

The POS for OCL is set at a level that is appropriate to cover the Branch's claims obligations after having regard to the prevailing market environment and prudent industry practice.

Being a test of adequacy, the POS for LAT is set to highlight deficiencies in product pricing following an analysis of the Branch's profit margins for the last two financial years.

(a) Assumptions

2015

The following assumptions have been made in determining the outstanding claims liabilities:

Inflation rate	2.10%
Discount rate	3.00%
Discounted mean term (years)	2
Claim handling expense ratio	7.90%
Risk margin	15.00%

(b) Processes Used to Determine Assumptions

The valuation of outstanding claims liabilities included in the Appointed Actuary report are calculated using the Chain Ladder Method and the Payments Per Claim Incurred Method.

In the development of Claim Payment Patterns and projecting claim payment liabilities the following economic assumptions have been made:

Inflation Rate

Pre valuation date claim inflation has been taken as movements in CPI. Post valuation date claim inflation has been taken as 2.1% per annum. Most claims are of a short to medium term duration.

Discount Rate

The discount rate used is 3% per annum. This is approximately the average gross yield on Government Bonds of short to medium term durations consistent with the duration of the liabilities.

Claims Handling Expenses

The Branch is responsible for the on-going management of all claims incurred on or before 31 March 2015. To reflect this expense, an allowance is included in the central estimate of the outstanding claims liability.

Risk Margin

A risk margin at a 75% level of sufficiency has been used to determine the outstanding claims liability on the liability line of business at 31 March 2015. The risk margin reflects the predominantly short tail nature of the business.

Notes to the financial statements (continued)

3 Actuarial Assumptions and Methods (continued)

(c) Sensitivity Analysis

The Outstanding Claims Liability provision has been estimated by the Appointed Actuary taking into consideration overall past claims experience and case estimates information provided by the management of the Branch. Given the large outstanding claims case estimates, any changes in the assumptions used are not material. For instance a 10% increase in Claims Expenses ratio will result in a 0.6% increase (\$29,400) in Outstanding Claims Liability, decreasing the reported profit and equity by the same amount. Likewise a 10% increase in Risk margin ratio will result in a 1.1% increase (\$52,500) in Outstanding Claims Liability, decreasing profit and equity by the same amount.

(d) Solvency

As at 31 March 2015 The New India Assurance Company Limited had an audited Solvency Ratio (Total Available Solvency Margin/ Total Required Solvency Margin) of 2.44 (= Rs84.5bn / Rs34.7bn) in accordance with Section 64VA of the Insurance Act, 1938 (Republic of India).

4 Insurance Contracts Risk Management Policies and Procedures

The principal risk the Branch faces under insurance contracts is that the actual claims payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual claims paid and subsequent development of long-term claims. Therefore, the objective of the Branch is to ensure that sufficient reserves are available to cover these liabilities.

The above risk exposure is mitigated by diversification across the portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Branch purchases reinsurance as part of its risks mitigation programme. Reinsurance ceded is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is facultative reinsurance placements which is taken out to reduce the overall exposure of the Branch to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the Branch's net exposure to risk and catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provisions and are in accordance with the reinsurance contracts. Although the Branch has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit risk exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements.

5 Insurance and Financial Risks

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation.

The following policies and procedures are in place to mitigate the Branch's exposure to credit risk:

- The Branch has investments in bank fixed deposits mostly for 1-2 years to avoid long term risk. The banks are selected for fixed deposit investment on the basis of their credit ratings by approved Rating Agencies and having superior ratings to ensure safety and liquidity of capital. The investments are made in different banks in order to ensure diversification and spread risk and to reduce the exposure in single bank transactions.

- The credit risk in respect of customer balances incurred on non-payment of premiums will only persist during the grace period specified in the policy document, when the policy is either paid up or terminated. Commission paid to intermediaries is netted off against amounts receivable from them to reduce the risk of doubtful debts.

Notes to the financial statements (continued)

5 Insurance and Financial Risks (continued)

(b) Credit exposure by credit rating

The table below provides information regarding the maximum credit risk exposure of the Branch by classifying assets according to Branch's credit ratings of counterparties:

31 March 2015	Rated	Unrated
Financial assets at fair value through profit and loss	\$	\$
Term deposits with credit institutions	34,558,192	-
Insurance receivables	-	2,508,706
Cash and cash equivalents	2,493,086	-
Total	37,051,278	2,508,706

31 March 2014	Rated	Unrated
Financial assets at fair value through profit and loss	\$	\$
Term deposits with credit institutions	30,516,068	-
Insurance receivables	-	3,339,250
Cash and cash equivalents	944,570	-
Total	31,460,638	3,339,250

Cash and cash equivalents and term deposits are invested with New Zealand Banks i.e. ANZ Bank New Zealand Limited having a credit rating of AA- of S&P, AA- of Fitch and Aa3 of Moody's and Bank of India (New Zealand) Limited having a credit rating of BBB- of Standard and Poor. Insurance receivables are not rated.

Age analysis of financial assets past due but not impaired

For assets to be classified as "past-due" and impaired contractual payments must be in arrears for more than 90 days. No collateral is held as security for any past due or impaired assets.

As at 31 March 2015, there were no financial assets past due but not impaired (2014: nil).

(c) Liquidity risk

Liquidity risk is the risk that payment of obligations may not be met in a timely manner at a reasonable cost. Ultimate responsibility for liquidity risk management rests with the board of directors who have built a liquidity risk management framework for the management of the Branch's short, medium and long term investment portfolio which can be liquidated at short notice.

The following procedures are in place to mitigate the exposure to liquidity risk:

The Branch manages its liquidity risk by monitoring the total cash inflows and outflows expected on a daily and monthly basis. The normal cash outflow is managed from monthly cash inflow premium and in the event of greater and significant outflow of cash, the liquidity may be managed through liquidating the bank fixed deposits and if the requirements exceed these limits, Head Office in India shall be approached to provide liquidity support.

All net cash outflows for liabilities in the financial statements will be within 12 months. The Branch maintains a portfolio of highly marketable assets that can easily be liquidated in the event of an unforeseen interruption of cash flow. The net cash inflow for premium debts will be within 12 months. Receivables include interest receivable.

Notes to the financial statements (continued)

5 Insurance and Financial Risks (continued)

The following tables summarise the maturity profile of the Branch's financial liabilities:

	Less than 1 year	1-5 years	5+ years	Total
2015				
Outstanding claims	2,849,650	-	-	2,849,650
Financial Liabilities				
Non- interest bearing payables	1,448,637	-	-	1,448,637
	<u>4,298,287</u>	<u>-</u>	<u>-</u>	<u>4,298,287</u>

	Less than 1 year	1-5 years	5+ years	Total
2014				
Outstanding claims	5,220,752	-	-	5,220,752
Financial Liabilities				
Non- interest bearing payables	1,582,827	-	-	1,582,827
	<u>6,803,579</u>	<u>-</u>	<u>-</u>	<u>6,803,579</u>

(d) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Branch cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Branch is able to manage the risks. Controls include segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environmental, technology and the industry are monitored through the Branch's strategic planning and budgeting process.

(e) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks are currency exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk. The Branch does not deal with any capital market risk instruments involving fluctuations in values and all investments are in short and medium term bank fixed deposits of 1 to 5 year term period basis with fixed interest rates.

(f) Currency risk

Currency risk is the risk that the value of recognised assets and liabilities or the cash flows from possible future transactions, that are denominated in a currency other than that of the functional currency will decrease due to changes in market exchange rates.

The Branch has no foreign currency exposure at balance date that is considered material.

(g) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate as a result of changes in market interest rates.

The Branch primarily faces interest rate risk due to the nature of its investments and liabilities. The Branch manages its exposure to this risk by holding the majority of such assets on short to medium term maturities.

Notes to the financial statements (continued)

5 Insurance and Financial Risks (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The following table details the Branch's expected maturity for its financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets.

	Weighted average interest rate %	Less than 1 year	1-5 years	5+ years	Total
2015					
Non- interest bearing					
Cash	-	2,493,086	-	-	2,493,086
Trade debtors	-	3,576,898	-	-	3,576,898
Fixed interest rate instruments					
Short term deposits	4.43%	6,540,037	-	-	6,540,037
Medium term deposits	5.28%	-	28,018,155	-	28,018,155
		12,610,021	28,018,155	-	40,628,176
2014					
Non- interest bearing					
Cash	-	944,570	-	-	944,570
Trade debtors	-	3,820,643	-	-	3,820,643
Fixed interest rate instruments					
Short term deposits	4.35%	10,671,822	-	-	10,671,822
Medium term deposits	4.95%	-	19,844,246	-	19,844,246
		15,437,035	19,844,246	-	35,281,281

A change of 100 basis points movement in interest rates would increase or decrease net profit before tax by \$345,582 (2014: \$305,160).

(iii) Price risk

Price risk is the risk that the fair value of equities or financial instruments could decrease due to fluctuations in market prices.

The Branch has no such price risk exposure at balance date (2014: nil).

(f) Fair value measurement

NZ IFRS 13 requires the Branch to classify the fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Branch's financial assets and liabilities are classified as Level 2.

Notes to the financial statements

6	Revenue	Note	2015 \$	2014 \$
	Gross written premium		11,140,803	14,025,614
	Movement in unearned premium		1,004,226	1,475,040
	Gross earned premium reserve		12,145,029	15,500,654
	Reinsured and other recoveries revenue		190,255	2,277,203
			12,335,284	17,777,857
7	Expenses		2015 \$	2014 \$
	The following are included in Other underwriting expenses:			
	Audit fees		33,300	38,000
	Depreciation		13,228	15,326
	Amortisation of intangible assets		111	277
	Rental operating lease expenses		76,036	76,305
	Salaries and wages		434,445	400,820
	Doubtful debts expense/(recovered)		(309,450)	11,056
	Loss on disposal of property, plant and equipment		-	3,026
8	Investment income		2015 \$	2014 \$
	Interest income		1,573,400	1,070,806
	Interest expense		(24,297)	(60,871)
	Total investment income		1,549,103	1,009,935
9	Tax		2015 \$	2014 \$
	a) Current tax expense			
	Income tax expense comprises:			
	Current tax expense		1,534,176	2,739,914
	Deferred tax expense		(176,836)	296,528
	Total expense		1,357,340	3,036,442
	The income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:			
	Profit before Taxation		4,648,504	9,056,528
	Prima facie income tax expense/ (benefit) calculated at 28%		1,301,581	2,535,828
	Tax effect of:			
	Non-deductible items		(20,492)	614
	Other adjustments		76,251	500,000
	Income tax expense		1,357,340	3,036,442
	b) Income tax (payable) / receivable			
	Opening balance		(1,579,986)	338,089
	Provisional tax and RWT paid		2,325,697	821,839
	Current year charge		(1,534,176)	(2,739,914)
	Total income tax (payable) / receivable for the year		(788,465)	(1,579,986)

The current tax liability of \$788,465 (2014: liability of \$1,579,986) represents the amount of income taxes payable in respect of current and prior periods.

Notes to the financial statements

10 Property, plant and equipment

	Cost \$	Depreciation \$	Accumulated depreciation \$	Carrying value \$
Furniture and fittings (cost)	42,201	2,322	31,060	11,141
Motor vehicles (cost)	46,923	6,536	28,321	18,602
Office equipment (cost)	39,663	4,306	34,158	5,506
Other assets	1,153	65	935	217
Balance as at 31 March 2015	129,940	13,228	94,474	35,465

	Cost \$	Depreciation \$	Accumulated depreciation \$	Carrying value \$
Furniture and fittings (cost)	40,838	2,645	28,738	12,100
Motor vehicles (cost)	46,923	8,773	21,785	25,138
Office equipment (cost)	35,568	3,824	29,852	5,716
Other assets	1,153	83	871	282
Balance as at 31 March 2014	124,482	15,326	81,246	43,236

11 Intangible assets

	Cost \$	Amortisation \$	Accumulated amortisation \$	Carrying value \$
Software	112,932	111	112,858	74
Balance as at 31 March 2015	112,932	111	112,858	74

	Cost \$	Amortisation \$	Accumulated amortisation \$	Carrying value \$
Software	112,932	277	112,747	185
Balance as at 31 March 2014	112,932	277	112,747	185

12 Investments

	2015 \$	2014 \$
Current		
Term deposits	6,540,037	10,671,822
	6,540,037	10,671,822
Non-current		
Term deposits	28,018,155	19,844,246
	28,018,155	19,844,246
Total investments	34,558,192	30,516,068

Notes to the financial statements

13 Trade and other receivables	2015	2014
	\$	\$
Trade receivables		
Premium due from policyholders and intermediaries	2,651,368	3,510,725
Provision for doubtful debts - trade receivables	(142,662)	(171,475)
Total trade receivables	2,508,706	3,339,250
Other receivables		
Other receivables	110,920	73,616
Reinsurance recoveries receivable	-	285,534
Accrued interest	938,939	402,880
Prepayments	18,333	-
Provision for doubtful debts - other receivables	-	(280,637)
Total other receivables	1,068,192	481,393
Total receivables	3,576,898	3,820,644

The provision for doubtful debts in relation to trade receivables is provided for based on estimated recoverable amounts determined by reference to current customer circumstances and past default experience. In determining the recoverability of a trade receivable, the Branch considers any change in credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. In the current year the Branch has recognised a doubtful debt recovery/(expense) of \$309,450 (2014: (\$ 11,056)).

14 Deferred tax	2015	2014
	\$	\$
Deferred tax assets comprise:		
Provisions and temporary differences	49,228	137,406
	49,228	137,406
Deferred tax liabilities comprise:		
Deferred acquisition costs	(580,418)	(845,430)
	(580,418)	(845,430)
Net deferred tax asset/(liability)	(531,190)	(708,024)
15 Deferred acquisition costs	2015	2014
	\$	\$
Opening balance at 1 April	3,019,394	2,355,434
Current year movement	(946,473)	663,960
Total deferred acquisition costs	2,072,921	3,019,394

Notes to the financial statements

16 Trade and other payables	2015	2014
	\$	\$
Trade payables	64,807	45,166
Amounts due to reinsurers	1,137,734	1,092,810
Non-trade payables and accrued expenses	246,096	444,851
Total trade and other payables	1,448,637	1,582,827

The average credit limit for payables owing to the Branch's reinsurer and brokers is 90 days. The Branch has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

17 Employee benefits	2015	2014
	\$	\$
Liability for annual/ sick leave	33,153	38,623
18 Outstanding claims provision	2015	2014
	\$	\$
Central estimate of outstanding claims provision (including risk margin)	2,849,650	5,220,752
Claim handling expenses	256,160	266,989
Claims incurred but not reported	613,600	704,600
Claims incurred but not enough reported	919,661	293,195
Total outstanding claims provision	4,639,071	6,485,536

The risk margin used to determine claims incurred but not reported included in total outstanding claims is 15.0% (2014: 15.0%) of the central estimate.

19 Unearned premium reserve	2015	2014
	\$	\$
Opening balance at 1 April	6,337,522	7,812,562
Deferral of premium on contracts written during the year	5,333,296	6,337,522
Earning of premiums deferred in prior years	(6,337,522)	(7,812,562)
Closing balance at 31 March	5,333,296	6,337,522

20 Liability adequacy test

The liability adequacy test is an assessment of the carrying amount of unearned premium liabilities and is conducted at the end of each reporting period. The test is conducted separately for each portfolio of contracts that are subject to broadly similar risks that are managed together as a single portfolio.

The Appointed Actuary has assessed the adequacy of the Unearned Premium Liability by considering Deferred Acquisition Costs and the estimated present value of the expected future cash flows relating to future claims arising from the rights and obligations under current insurance policies as follows:

Liability Adequacy Test: Pass	2015	2014
	\$	\$
Unearned premium	5,333,296	6,337,522
Related deferred acquisition costs	(421,759)	(525,211)
Net unearned premium	4,911,537	5,812,311
Premium liabilities (*)	1,513,696	4,008,483
Liability surplus	3,397,841	1,803,828

Deferred acquisition costs to be written off

(*) including risk margin and claims management expenses

Notes to the financial statements

20 Liability adequacy test (continued)

The Appointed Actuary calculated the Premium Liabilities as Unearned Premiums x Claims Ratio of the last three years x Risk Margin loading x Claims Management Expenses loading (\$1,513,696 = \$5,333,296 x 20% x 1.15 x 1.234).

The Appointed Actuary is not aware of any need to make any allowance for any projected Premium Adjustments or Unclosed Premiums or other commitments arising from the Branch's insurance contracts.

21 Financial instruments

Capital risk management

The Branch manages its capital structure to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance.

The capital structure of the Branch consists of cash and cash equivalents and equity comprising accumulated profits as disclosed in the Statement of Changes in Equity.

The directors review the capital structure on a regular basis, as part of the review the directors consider the cost of capital and the risks associated with each class of capital. The directors balance the overall capital structure through the issue of new debt or redemption of existing debt when required.

Categories of financial assets and liabilities

	Loans and receivables	Financial assets at fair value through profit or loss	2015 Financial liabilities at amortised cost	Total
	\$	\$	\$	\$
Assets				
Cash and cash equivalents	2,493,086	-	-	2,493,086
Trade and other receivables	3,558,565	-	-	3,558,565
Investment in term deposits	-	34,558,192	-	34,558,192
Total financial assets	6,051,651	34,558,192	-	40,609,843
Non-financial assets	-	-	-	2,126,793
Total assets				42,736,636
Liabilities				
Trade and other payables	-	-	1,448,637	1,448,637
Total financial liabilities	-	-	1,448,637	1,448,637
Non-financial liabilities	-	-	-	11,325,175
Total liabilities	-	-	-	12,773,812

Notes to the financial statements

21 Financial instruments (continued)

	2014			Total
	Loans and receivables	Financial assets at fair value through profit or loss	Financial liabilities at amortised cost	
	\$	\$	\$	\$
Assets				
Cash and cash equivalents	944,570	-	-	944,570
Trade and other receivables	3,820,643	-	-	3,820,643
Investment in term deposits	-	30,516,068	-	30,516,068
Total financial assets	4,765,213	30,516,068	-	35,281,281
Non-financial assets	-	-	-	3,062,815
Total assets				38,344,096
Liabilities				
Trade and other payables	-	-	1,582,827	1,582,827
Total financial liabilities	-	-	1,582,827	1,582,827
Non-financial liabilities	-	-	-	15,149,691
Total liabilities				16,732,518

22 Reconciliation of profit after income tax to net cash inflows from operating activities

Operating activities	2015 \$	2014 \$
Net profit/(loss) after tax	3,291,164	6,020,086
Add: Non-cash items		
Depreciation	13,229	15,326
Amortisation	111	277
Loss on disposal of fixed assets	-	3,026
(Increase)/decrease in trade and other receivables	243,745	(761,211)
(Increase)/decrease in deferred acquisition costs	946,473	(663,960)
Increase/(decrease) in trade and other payables	(134,190)	(48,189)
Increase/(decrease) in outstanding claim provision	(1,846,465)	(680,864)
Increase/(decrease) in employee benefits	(5,471)	3,198
Increase/(decrease) in unearned premiums	(1,004,226)	(1,475,040)
(Increase)/decrease in income tax receivable	(791,521)	1,918,075
Increase/(decrease) in deferred tax liability	(176,834)	296,527
Increase/(decrease) in head office account	5,060,082	3,095,013
Net cash inflows from operating activities	5,696,097	7,722,264

23 Contingencies and commitments

The Branch had no capital commitments as at balance date.

The Branch is currently in the process of instituting a transfer pricing review to ensure it has the correct procedures in place with respect to its transactions with Head Office. The Branch will be in a position to comment on the impact if any of this review once it is completed. (2014: \$Nil).

Notes to the financial statements

23 Contingencies and commitments (continued)

Operating lease commitments

Commitments under non-cancellable operating leases:

	2015 \$	2014 \$
Less than one year	75,408	75,408
Between one and five years	282,779	301,631
Greater than five years	-	56,556
Total operating lease commitments	358,187	433,594

24 Related parties

Key management compensation

Total compensation for key management personnel is set out as follows:

	2015 \$	2014 \$
Short term employee benefits	152,885	114,183

Transactions and balances

The Head Office has charged the Branch for Treaty Reinsurance in the amount of \$3,365,280 (2014: \$5,233,106).

The Head Office has provided funding to support the Branch and as at 31 March 2015 the Branch owed the Head Office \$15,544,558 (2014: \$10,484,476).

No related party debts have been written off or forgiven during the year.

25 Subsequent events

There have been no events subsequent to balance date which would have a material effect on the financial statements.

26 Credit rating

The Branch has received an A- (Excellent) Credit Rating and an A- (Excellent) Financial Strength Rating from A.M Best Company, an approved agency by the Reserve Bank of New Zealand, dated 16 January 2015. The credit rating is an indication of the Branch's ability to pay current and future claims.

**The New India Assurance Company Limited
New Zealand Branch
Appointed Actuary Report Summary
For the year ended 31 March 2015**

To the Shareholders of The New India Assurance Company Limited – New Zealand Branch.

The Board of The New India Assurance Company Limited – New Zealand Branch (Company) has appointed me to act as the Appointed Actuary to the Company. As part of this role, I have been asked to provide this Appointed Actuary Report Summary

The Insurance (Prudential Supervision) Act 2010 (Act) Section 77 requires licensed insurers to provide a review by the licensed insurer's Appointed Actuary in respect of the actuarial information contained in the financial statements. Section 77 (4)(c) allows the Reserve Bank of New Zealand (Bank) to specify, within a solvency standard, information which it considers to be actuarial information for the purpose of this Report. However, the Reserve Bank of New Zealand has exempted the Company from compliance with the Solvency Standards for Non-life Insurance Business issued under Section 55 of the Act. This exemption is granted subject to some conditions including the review by the Appointed Actuary of the following specified information relating to the insurance business carried on in New Zealand:

- a) the unearned premium liability and the liability adequacy test;
- b) the Net Outstanding Claims Liability;
- c) the reinsurance and any other recovery asset(s);
- d) any deferred acquisition cost or deferred fee revenue; and
- e) any other information deemed by the Appointed Actuary to warrant actuarial review for the purpose of profit or solvency reporting.

I have either calculated or reviewed the above specified information based on audited financial statements prepared by the Company as at that date and data in respect of policies in force and claims payments made and provisioned for by the Company. I am reliant on the accuracy of the information provided by the Company. However, I have undertaken a number of independent checks on the data.

In my opinion and from an actuarial perspective, the actuarial information contained in the financial statements has been appropriately included and used in those statements.

I have not encountered any material limitations during the compilation of the Appointed Actuary Report.

There are no areas of conflict of interest for me in preparing the Report or this Summary.

This Summary is intended only to provide an overview of the Appointed Actuary Report and does not substitute for a detailed review of the Report in full.



Marcelo Lardies BSc (Hons)
Fellow of the New Zealand Society of Actuaries
28 July 2015
Auckland, New Zealand

**The New India Assurance Company Limited
Section 78 Report
For the year ended 31 March 2015**

To the Shareholders of The New India Assurance Company Limited (Company).

The Insurance (Prudential Supervision) Act 2010 (Act) (IPSA 2010) Section 77 requires licensed insurers to provide a review by the licensed insurer's Appointed Actuary in respect of the actuarial information contained in any financial statements required to be filled by the Company in New Zealand.

The Board of The New India Assurance Company Limited (Company) has appointed me to act as the Appointed Actuary to the New Zealand Branch. As part of this role, I have been asked to provide this Report in respect of The New India Assurance Company Limited.

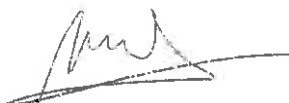
I have received confirmation that the Appointed Actuary of the Company has complied with the provisions of the Insurance Regulatory and Development Authority of India (IRDA) (Actuarial Report and Abstract) Regulations 2000, the guidelines on estimation of IBNR Claims Provision for General Insurance Business issued by IRDA dated 8 June 2005 and 22 May 2008 and the applicable Guidance Notes and Actuarial Practice Standards issued by the Institute of Actuaries of India.

I am reliant on the information provided by the Appointed Actuary of the Company described above.

I have no relationship (other than Appointed Actuary to the New Zealand Branch) with, or any interests in the Company or any of its subsidiaries.

I have received all information and explanations that I have required from the Company.

There are no areas of conflict of interest for me in preparing this Report.

A handwritten signature in black ink, appearing to read 'Marcelo Lardies', with a long horizontal line extending to the right.

**Marcelo Lardies BSc (Hons)
Fellow of the New Zealand Society of Actuaries**

15 July 2015
Auckland, New Zealand

JCR & CO.
Chartered Accountants
Level III, Raval House
18th Road, Khar West
Mumbai- 400 052

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
UG-283, Dreams, The Mall,
LBS Marg,
Bhandup (west)
Mumbai 400078

INDEPENDENT AUDITORS' REPORT

To the Members of
New India Assurance Company Limited

Report on the Financial Statements:

We have audited the accompanying financial statements of New India Assurance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 thirty Six Regional offices (including 5 LCO's), Four hundred and thirty 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, Eight Foreign Agency offices audited by local auditors appointed by the company and unaudited returns of Eight Run off offices (out of which five are closed) and one representative office.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013, 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 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.



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Auditor's Responsibility:

Our responsibility is to express an opinion on these 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

Basis for Qualified Opinion

1.

- a) *In view of non-availability of balance confirmations of some loans and investments (Refer Note No. 9, Notes to Accounts Schedule 16B), we are unable to comment on the impact of adjustments arising out of reconciliation/confirmation of such balances on the financial statements;*
- b) *The historical/weighted average cost of listed and unlisted equity/equity related instruments/preference shares, the value of which were impaired on or before 31/03/2000 is not available with the company. As a result, the reversal of impairment losses recognized in Profit and Loss/Revenue Account prior to 01/04/2000 has not been accounted for. (Refer Significant Accounting policies in schedule 16A para 13 L and M(II));*
- c) *Balances due to/from persons or bodies carrying on Insurance Business and balances of Inter office accounts, control accounts, reinsurance accounts, certain Bank accounts and other accounts at certain offices are pending for reconciliation/confirmation and consequential adjustments, (Refer Note 3(a) and (c), 4, 5, 8(iii) and Note No. 9(b) of Notes to accounts, in schedule 16B), effect of which, if any, is not ascertainable and cannot be commented upon.;*
- d) *The company has during the year changed useful lives of the assets to be in line with those specified under Schedule II to the Companies Act, 2013 and also changed the method of depreciation, however as stated in Note No 22(b) due to inconsistencies involved in the migration of data as well as non-availability of original cost in case of assets at Foreign Branches, the precise impact on the depreciation charged during the year and Profit/Loss on sale of asset as recognized in the financial statements has remained unascertained.*
- e) *The returns of foreign Branches and agencies incorporated in the financial statements dealt with by this report, are compiled based on the accounting principles generally accepted at the respective locations/countries. Compliance of Generally Accepted Accounting Principles in India is pending in*



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respect of these foreign Branches/agencies, effect of which has not been ascertained. Further the auditors report in respect of foreign Branches do not contain the information required to be stated in accordance with the provisions of the Companies Act, 2013 read with IRDAI Regulations 2002. (Refer Note 25).

- 1) The Company's internal control systems require strengthening specially in area of data input and validation in various soft-wares and recording of intimated claims at the offices of the company and with TPAs. The internal audit system also requires strengthening in the areas of audit coverage and compliance.
2. The company has not allocated Direct Expenses amounting to Rs.2256 lakhs related to Investment Income between Shareholders Fund and Policyholders Fund and the same is stated against policy holders fund which not in accordance with the IRDAI guidelines. Disclosure towards indirect expenses of Investment division relating to shareholders is also pending.
3. Overall impact of the above para 1 and 2 and the consequential effects on Revenue Accounts, Profit and Loss Account and Reserve and Surplus as on 31st March 2015 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 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 2015;
- (ii) In case of revenue accounts of the loss in Fire and Profit in Marine and Miscellaneous 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 Matters

We draw attention to the following Notes to Accounts:

- a) Note No. 8(a), 8(b)(ii) and 8(c) in Schedule 16 B regarding non- compliance of Insurance Regulatory and Development Authority (IRDAI) Regulations during the year.;
- b) Note No. 12 in Schedule 16 B, which describe deferment of gratuity liability of the company to the extent of Rs.3431.20 lakhs, pursuant to the circular dated 18/04/2011 of IRDAI to Public Sector insurance companies.
- c) Note No. 8(b)(i) in Schedule 16 B, non-disclosure of segment reporting in respect of Public and Product Liability of Foreign Business.
- d) Note No. 26 regarding recognition of Reserve for Unexpired risk as per Insurance Act, 1938 while the implementation of systems and procedures to compute the same in accordance with 1/365 method is pending and as such the compliance of IRDAI guidelines in this regard is pending.

Our opinion is not modified in respect of these matters.



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Other Matters

We did not audit the financial statements of thirty Six Regional offices (including 5 LCO's), Four hundred and thirty seven Divisional offices, Nine Foreign Branches, Eight Foreign Agency offices, Eight Run off offices (out of which five are closed) and one representative office, included in the financial statements of the Company whose financial statements / financial information reflect total assets of Rs.2219107.34 lakhs as at 31st March, 2015 and total revenues of Rs.15480.36 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 firm 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 Matters:

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 and have found them to be satisfactory;
- 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.
- c) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper returns both audited and unaudited from Regional offices, Divisional Offices, branches and other offices, not visited by us, have been received and are adequate for the purpose of audit.
- d) 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.
- e) 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 account and returns received from offices not visited by us.
- f) The 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.;
- g) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- h) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- i) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.




- j) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- k) 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 direction issued by the Insurance Regulatory and Development Authority.
- l) 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 2015, 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.
- m) 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.
- n) 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:
- The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Schedule 16 C;
 - 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.
 - There have been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- o) 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:
- 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 financial statements;
 - 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



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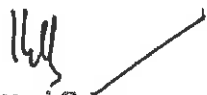
- iii) Reference is invited to Accounting policy No. 20 with regard to segregation of shareholder and policyholders fund subject to the possible effects of the matter described in the Basis for Qualified Opinion paragraph above that we certify no part of the assets of the policyholders' funds has been 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.
- p) As required under section 143(5) of the Companies Act, 2013, we enclose herewith, as per Annexure A, 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 JCR & CO.
Chartered Accountants
Firm Reg. No. 105270W


Jashvant Raval
Partner
Membership No. 012926




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


Neeraj Gelas
Partner
Membership No. 74392



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


M. K. Gupta
Partner
Membership No. 073515



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ANNEXURE "A" Referred to in Para (p) in Report on Other Legal and Regulatory Matters referred to in our Statutory Audit Report for the year 2014-15 on the accounts of New India Assurance Company Limited

S. No.	Directions under section 143(5) of Companies Act 2013	Action taken and financial impact
1	If the company has been selected for disinvestment, a complete status report in terms of valuation of assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	The Direction is not applicable to the company as the company has during the year under audit not been selected for disinvestment.
2	Please report whether there are any case of waiver/write off of debt/loans/interest etc., if yes, the reasons there for and the amount involved.	During the FY 2014-15, the company has written off /down, Investments of Equity/Preference share/Mutual Fund to the extent of Rs.2,01,33,476.61/- towards impairment and reversal in value of investment.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities	The Direction is not applicable.
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	As per below:

Details of Suit Claims:

Particulars	Total No. of Claims		Total Amount (Rs. In Lakhs)	
	Indian	Foreign	Indian	Foreign
a) Non Insurance Claims:	41	-	2239.60	-
b) Insurance Claims-Motor TP	172365	4147	462840.01	17701.85
c) Insurance Claims- Other Than Motor TP	18753	100	89215.75	14131.78

The Above cases are pending for adjudication before various Fora. The company's interests in these cases are suitably defended by the panel of Advocates and monitored by legal Department at all Divisional and Controlling Offices. The financial impact of these claims wherever applicable has been duly considered in the accounts.



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Sub – directions issued by the C&AG of India as applicable to the New India Assurance Company Limited, for the year 2014-15:

1. Number of cases where the amount of equity investments depicted in the Company's books has not been arrived at with reference to year end last quoted price in NSE and stock not listed in NSE valued at last quoted price in BSE, may be verified and discrepancy found may be suitably reported.

The company has its laid down accounting policy for valuation of quoted as well as unquoted/thinly traded securities, which is in accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002. The company also holds certain equity investments which are unlisted for which the price as per BSE/NSE is not applicable. These equity investments have been valued as per the accounting policy followed by the company.

2. 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 the Books of accounts. In case of Bonds/debentures/equities /Preference shares ,there are 20 Nos. of scrips where there is shortage as per the records of custodian vis a vis books of accounts of the company and there are 46 cases where there is 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.

3. Particulars of Outstanding claims:

Particulars	Total No.
(i) Total number of outstanding claims provided the Company	2,87,044
(ii) (a) The number of cases test checked by Statutory Auditors at DO/RO	23011
(b) No of high value claims reviewed by Statutory Auditors at HO	134

- (iii) The number of cases where adequate provisions have not been made on the basis of amounts estimated in preliminary loss advices interim/final survey reports etc.

Wherever the DO/RO/HO auditors have reported short provisioning the same has been adequately considered in the finalization of the accounts of the company.



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- (iv) The amount of short provisioning of claims and the percentage of sample detected may be reported.

The amount of short provisioning identified has been duly considered in the accounts.

(b) Whether there is an assurance that provision for employees liabilities such as pension fund, leave encashment, gratuity etc., and provision for IBNR & IBNER claims are as per actuarial valuation. Whether accurate & complete data was provided by the PSU to the Actuary and the benchmark used by Actuary for assumptions such as discount rate, inflation rate etc., were appropriate.

As per the information and explanations given to us, provisions for Employees liabilities and IBNR & IBNER have been provided as per Actuarial Valuation. The assumptions made by the actuary have been reviewed and the data provided by the company to the actuary for valuation was test checked by us and no material inconsistencies were observed.

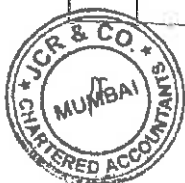
4.

(a)	i.	The Total number of cases of unconfirmed co-insurance balances in respect of premium/claims due to and due from other insurance companies	As per information and explanations provided us, co insurance balances are under reconciliation at various offices of the company. Refer Para 1 (c) to the audit report.
	ii)	The Number of cases test checked by statutory auditor at HO and by the branch auditor at RO/DO/BO level.	Total 361 Number of cases have been checked by the RO Auditors. Data related to co- insurance balances/confirmation is maintained at operating offices. Therefore at HO level checks cannot be performed.
	iii.	The number of cases where discrepancy was observed with reference to co-insurance agreements and/or correspondences with insured etc.	No material discrepancies have been reported by the RO auditors. However the impact of overall pending reconciliations and consequential adjustments has not been ascertained.
	iv.	The impact of such discrepancy on the revenue account and the percentage of sample selected may be reported.	As above in 4 (a) (iii)
(b)		Preliminary Loss advices :	



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	(i) Total number of preliminary loss advices and claim loss advices sent to the reinsurers in respect of reinsurance ceded business.	<p>i) Proportional Treaties- No Individual Loss Intimations are exchanged for ceded business. This goes as a part of Quarterly Statement of Accounts.</p> <p>ii) Non Proportional treaties- (Cat XL & Risk XL) As informed by the company, 4 nos. preliminary loss advices have been sent to reinsurers. No cash call is made in 2014-15.</p> <p>iii) Facultative-Loss intimations are exchanged by Technical Depts. as a routine function. Number of Loss intimations sent- 102.</p>				
	(ii) Total number of preliminary loss advices and claim loss advices received by the company in respect of reinsurance inward acceptance.	<p>i) Proportional Treaties- No Individual Loss Intimations are exchanged for accepted business. This goes as a part of Quarterly Statement of Accounts.</p> <p>ii) Facultative-Loss intimations are exchanged by Technical Depts. as a routine function. Number of Loss intimations received- 182.</p>				
	(iii) The number of cases mentioned in (i) and (ii) above test checked by statutory auditor	<p>Facultative outward : 31</p> <p>CATXL/Risk XL : 3</p> <p>Facultative inward : 32</p>				
	(iv) The number of cases where discrepancy was observed with reference to reinsurance agreements and/or correspondences with reinsurers brokers etc.	<p>No discrepancy with respect to reinsurance agreement was observed, however in case of Cat XL loss recovery, excess recovery of Rs. 56.44 crores was observed and necessary rectification was carried out.</p>				
	(v) The impact of such discrepancy on the revenue account and the percentage of sample selected may be reported.	<p>The financial impact wherever considered necessary has been dealt with in the accounts.</p> <p>Percentage of checking:</p> <table border="1"> <tr> <td>Facultative business</td> <td>22%</td> </tr> <tr> <td>XL loss recoveries</td> <td>75%</td> </tr> </table>	Facultative business	22%	XL loss recoveries	75%
Facultative business	22%					
XL loss recoveries	75%					



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5. Whether the Company has provided in its accounts the reserve for unexpired Risk based on actual days of policy in operation in the relevant accounting year. If the same is provided on average basis then comparative data of both methods may be obtained from the Company for suitable disclosure / report.

The Company is not in a position to arrive at 1/365 method on net basis since the required software is not in place to that effect. The Company has during the year 2014-15 changed the accounting policy and thereby has followed the method of working out the reserve for unexpired risk (URR) as per the Insurance Act 1938 at 100% of net Premium for Marine Hull and 50% of net Premium in case of Fire, Marine Cargo and Miscellaneous business and accounted the URR at Rs.706014.12 Lakhs. Had the Company worked out the Reserve for unexpired risk by the earlier adopted method, the URR would have been Rs.735251 Lakhs.

For JCR & CO.
Chartered Accountants
Firm Reg. No. 105270W



Jashvant Raval

Partner

Membership No. 012926



Date: 30th April 2015

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



Neeraj Golas


Partner

Membership No. 74392



30 APR 2015

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



M. K. Gupta

Partner

Membership No. 073515



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Fire Insurance Revenue Account for the year ended 31st March, 2015

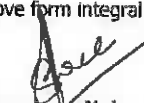
Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1.Premium Earned (Net)	1	18873280	17846263
2.Profit on Sale or Redemption of Investments (Policy Holders)	-	1740510	1556717
Loss on Sale or Redemption of Investments (Policy Holders)		0	0
3.Others		0	0
4.Interest, Dividend and Rent (Gross)		2775924	2890471
Total (A)		23389714	22293451
1.Claims Incurred (Net)	2	14415189	15300619
2.Commission	3	4031468	3184666
3.Operating Expenses Related to Insurance Business	4	5936504	5186762
4. Premium Deficiency		0	(351941)
5.Others - Foreign Taxes		7564	2990
Amortisation, Write off, Provisions - Investments		9408	30917
Total (B)		24400133	23354013
Operating Profit/ (Loss) C=(A-B)		(1010419)	(1060563)
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)		1010419	1060563
Transfer to Catastrophic Reserves		0	0
Transfer to Other Reserves		0	0
Total		0	0


Significant Accounting Policies and Notes to Accounts




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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

 **K. L. R. Babu** Director
 **K. Sanath Kumar** Director
 **G. Srinivasan** Chairman-Cum- Managing Director

As per our report of even date

For JCR & Co.
Firm Reg. No.105270W
Chartered Accountants


Jashvant Raval
Partner
Membership Number 012926

Mumbai
April 30, 2015

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


Neeraj Golas
Partner
Membership Number 074392

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


M. K. Gupta
Partner
Membership Number 073515



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules to Fire Insurance Revenue Account for the year ended 31st March, 2015

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Fire Premium Earned(Net)		
Premium From Direct Business - in India	16448927	14117657
- outside India	8186117	7254137
Total	24635044	21371794
Add: Premium on Reinsurance Accepted	7482170	7479677
Less: Premium on Reinsurance Ceded	12033999	11188126
Net Premium	20083215	17663345
Adjustment for Change in Reserve for Un-Expired Risks	1209935	(182918)
Total Premium Earned (Net)	18873280	17846263
Schedule 2 - Fire Claims Incurred (Net)		
Claims Paid Direct	18953772	15804786
Add: Claims on Reinsurance Accepted	5760760	9778422
Less: Claims on Reinsurance Ceded	8317749	9591487
Net Claims Paid	16396783	15991721
Add: Claims Outstanding at End (Net)	24545345	26814548
Less :Claims Outstanding at Beginning (Net)	26814548	26360680
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	287609	(1144970)
Total Incurred Claims (Net)	14415189	15300619
Schedule 3- Fire Commission (Net)		
Commission - Direct	3473883	2835032
Add : Commission on Reinsurance Accepted	1179068	1321063
Less : Commission on Reinsurance Ceded	621483	971429
Commission (Net)	4031468	3184666
Break-up of Commission Direct		
Direct Commission	2998622	2401123
Direct Brokerage	404692	369478
Direct Corporate Agency Commission	70569	64431
Referrals	0	0
Total Commission	3473883	2835032



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Marine Insurance Revenue Account for the year ended 31st March, 2015

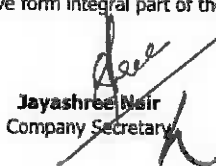
Particulars	Schedule	Current year ₹ (000)	Previous Year ₹ (000)
1.Premium Earned (Net)	1	6110405	4610226
2.Profit on Sale or Redemption of Investments (Policy Holders)	-	415514	394681
Loss on Sale or Redemption of Investments (Policy Holders)		0	0
3.Others			
4.Interest, Dividend and Rent (Gross)		662699	732833
Total (A)		7188618	5737740
1.Claims Incurred (Net)	2	3216650	2143198
2.Commission	3	425847	485925
3.Operating Expenses Related to Insurance Business	4	1176129	1218890
4. Premium Deficiency		0	0
5.Others - Foreign Taxes		0	0
Amortisation, Write off, Provisions - Investments		2246	7838
Total (B)		4820872	3855851
Operating Profit/ (Loss) C=(A-B)		2367746	1881889
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)		(2367746)	(1881889)
Transfer to Catastrophic Reserves		0	0
Transfer to Other Reserves		0	0
Total		0	0

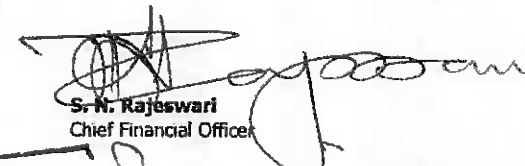
Significant Accounting Policies and Notes to Accounts


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


K. L. R. Babu
 Director


K. Sanath Kumar
 Director


G. Srinivasan
 Chairman-Cum- Managing Director


As per our report of even date

For JCR & Co.
Firm Reg. No.105270W
Chartered Accountants



Jashvant Raval
 Partner
 Membership Number 012926

Mumbai
April 30, 2015

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


Neeraj Golas
 Partner
 Membership Number 074392

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


M. K. Gupta
 Partner
 Membership Number 073515



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules to Marine Insurance Revenue Account for the year ended 31st March, 2015

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Marine Premium Earned(Net)		
Premium From Direct Business - in India	6652778	7114648
- outside India	1057553	1198336
Total	7710331	8312984
Add: Premium on Reinsurance Accepted	773675	727150
Less: Premium on Reinsurance Ceded	3675575	4514923
Net Premium	4808431	4525211
Adjustment for Change in Reserve for Un-expired Risks	(1301974)	(85015)
Total Premium Earned (Net)	6110405	4610226
Schedule 2 - Marine Claims Incurred (Net)		
Claims Paid Direct	3208587	3280412
Add: Claims on Reinsurance Accepted	260692	385058
Less: Claims on Reinsurance Ceded	1105573	985497
Net Claims Paid	2363706	2679973
Add: Claims Outstanding at End (Net)	4805068	3943828
Less :Claims Outstanding at Beginning (Net)	3943828	4447845
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	(8296)	(32758)
Total Incurred Claims (Net)	3216650	2143198
Schedule 3- Marine Commission (Net)		
Commission - Direct	697506	732655
Add : Commission on Reinsurance Accepted	134342	172561
Less : Commission on Reinsurance Ceded	406001	419291
Commission (Net)	425847	485925
Break-up of Commission Direct		
Direct Commission	492209	539855
Direct Brokerage	204252	192292
Direct Corporate Agency Commission	1045	508
Referrals		
Total Commission	697506	732655



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Miscellaneous Insurance Revenue Account for the year ended 31st March, 2015

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1.Premium Earned (Net)	1	108169227	89512257
2.Profit on Sale or Redemption of Investments (Policy Holders)	-	7843978	5589431
Loss on Sale or Redemption of Investments (Policy Holders)		0	0
3.Others			
4.Interest, Dividend and Rent (Gross)	-	12510295	10378308
Total (A)		128523500	105479996
1.Claims Incurred (Net)	2	94248516	76365732
2.Commission	3	8381394	8055467
3.Operating Expenses Related to Insurance Business	4	23484915	19893416
4. Premium Deficiency		0	0
5.Others - Foreign Taxes		889	1437
Amortisation, Write off, Provisions - Investments		42400	111008
Total (B)		126158114	104427060
Operating Profit/ (Loss) C=(A-B)		2365386	1052936
Appropriations			
Transfer to Share Holders Account (Profit and Loss Account)	-	(2365386)	(1052936)
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

[Signature]
Jayashree Nair
Company Secretary

[Signature]
S. N. Rajeswar
Chief Financial Officer

[Signature]
K. L. R. Babu
Director

[Signature]
K. Sanath Kumar
Director

[Signature]
G. Srinivasan
Chairman-Cum- Managing Director

As per our report of even date

For JCR & Co.
Firm Reg. No.105270W
Chartered Accountants

[Signature]
Jashvant Raval
Partner
Membership Number 012926

Mumbai
April 30, 2015

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

[Signature]
Neeraj Golas
Partner
Membership Number 074392

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

[Signature]
M. K. Gupta
Partner
Membership Number 073515



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules to Miscellaneous Insurance Revenue Account for the year ended 31st March, 2015

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 1 - Miscellaneous Premium Earned(Net)		
Premium From Direct Business - in India	108992244	94168292
- outside India	13465975	13423017
Total	122458219	107591309
Add: Premium on Reinsurance Accepted	4598053	3066223
Less: Premium on Reinsurance Ceded	12559876	12059933
Net Premium	114496396	98597599
Adjustment for Change in Reserve for Un-expired Risks	6327169	9085342
Total Premium Earned (Net)	108169227	89512257
Schedule 2 - Miscellaneous Claims Incurred (Net)		
Claims Paid Direct	86174068	71043011
Add: Claims on Reinsurance Accepted	5179701	2012949
Less: Claims on Reinsurance Ceded	8804090	18541647
Net Claims Paid	82549679	54514313
Add: Claims Outstanding at End (Net)	120534150	108971370
Less :Claims Outstanding at Beginning (Net)	108971370	86355392
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	136057	(764559)
Total Incurred Claims (Net)	94248516	76365732
Schedule 3- Miscellaneous Commission (Net)		
Commission - Direct	9247508	8517491
Add : Commission on Reinsurance Accepted	409238	583952
Less : Commission on Reinsurance Ceded	1275352	1045976
Commission (Net)	8381394	8055467
Break-up of Commission Direct		
Direct Commission	7300736	6898834
Direct Brokerage	1763073	1432275
Direct Corporate Agency Commission	183699	186382
Referrals		
Total Commission	9247508	8517491



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Profit and Loss Account for the year ended 31st March 2015

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
1. Operating Profit / (Loss)			
a. Fire Insurance		(1010419)	(1060563)
b. Marine Insurance		2367746	1881889
c. Miscellaneous Insurance		2365386	1052936
2. Income from Investments			
a. Interest Dividend and Rent (Gross) - Share Holders		7582538	6895234
b. Profit on Sale of Investment - Share Holders		4754265	3713556
Less: Loss on Sale of Investment - Share Holders		0	0
3. Other Income - Misc Receipts, Credit Balances Written Back		289274	193112
- Interest on Refund of Income Tax		1486419	276253
Total (A)=1+2+3		17835209	12952417
4. Provisions (Other Than Taxation)			
a. Others - Amortisation Provision For Thinly Traded Shares - Shareholders		6493	42840
b. For Doubtful Debts - Investments(Shareholders)		11129	9246
c. For Doubtful Debts - Operations			(65455)
d. For Diminution In Value Of Investments (Shareholders)		8077	21666
5. Other Expenses(Other Than Those Related To Insurance Business)			
a. Others - Interest On Income/Service Tax		33809	299
b. (Profit)/Loss On Sale Of Assets		12722	(353)
c. Penalty For Breach Of Tariff		0	0
Total (B)=(4+5)		72230	8243
Profit Before Tax (A-B)		17762979	12944174
Provision For Taxation - Current Tax		3494186	2283986
Deferred Tax		(63091)	(243202)
Wealth Tax		19639	13576
Profit After Tax		14312245	10889814
Transfer from General Reserves for Equalization / Contingency Reserves for Foreign Branches		323666	25834
Transfer from Contingency Reserves for Unexpired Risk (created in 2009-10)		0	443500
Appropriations			
a. Proposed Final Dividend		(3000000)	(2200000)
b. Dividend Distribution Tax		(600000)	(373890)
c. Transfer to General Reserves		(10712245)	(8765424)
d. Transfer to Equalization / Contingency Reserves for Foreign Branches		(323666)	(25834)
Profit / (Loss) Carried Forward to The Balance Sheet		0	0

Basic and diluted earnings per share (₹) {Refer Note 11 B to notes to accounts in Schedule 16 B}

71.56

54.45

Significant Accounting Policies and Notes to Accounts
The schedules referred to above form integral part of the Profit and Loss Account

16

Jayashree Nair
Company Secretary

S. M. Rajeswari
Chief Financial Officer

K. L. R. Babu
Director

K. Sanath Kumar
Director

G. Srinivasan
Chairman-Cum- Managing Director

As per our report of even date

For JCR & Co.
Firm Reg. No.105270W
Chartered Accountants

Jashvant Raval
Partner
Membership Number 012926

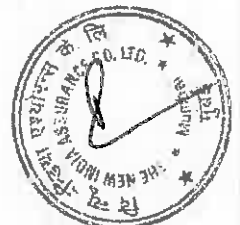
For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

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

M. K. Gupta
Partner
Membership Number 073515

Mumbai
April 30, 2015



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Balance Sheet as at 31st March, 2015

Particulars	Schedule	Current year ₹ (000)	Previous year ₹ (000)
A. Sources of Funds			
1. Share Capital	5 & 5A	2000000	2000000
2. Reserves and Surplus	6	104496505	94934231
3. Fair Value Change Account		228041862	177783311
4. Borrowings	7	0	0
Total A		334538367	274717542
B. Application of Funds			
1. Investments	8	449608110	352973373
2. Loans	9	3676874	4011550
3. Fixed Assets	10	2015543	1778264
4. Deferred Tax Assets		1696388	1615644
5. Current Assets			
a. Cash and Bank Balances	11	82502299	89650037
b. Advances and Other Assets	12	77697039	80924233
Sub Total(a+b)		160199338	170574270
c. Current Liabilities	13	194441419	179391391
d. Provisions	14	88216467	77187288
Sub Total(c+d)		282657886	256578679
Net Current Assets (a+b-c-d)		(122458548)	(86004409)
6. Miscellaneous Expenditure - Contribution to Gratuity Fund-Deferred (to the extent not written off or adjusted)	15	0	343120
Total B		334538367	274717542

Significant Accounting Policies and Notes to Accounts

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

[Signature]
Jayashree Nair
Company Secretary

[Signature]
S. N. Rajeswar
Chief Financial Officer

[Signature]
K. L. R. Babu
Director

[Signature]
K. Sanath Kumar
Director

[Signature]
G. Srinivasan
Chairman-Cum- Managing Director

As per our report of even date

For JCR & Co.
Firm Reg. No.105270W
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Jashvant Raval
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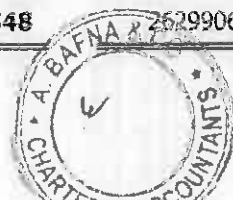
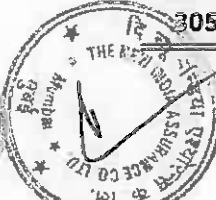
Mumbai
April 30, 2015



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules for the year ended 31st March, 2015

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule - 4		
Operating Expenses Related To Insurance Business		
1. Employees Remuneration And Welfare Benefits	20750061	18989466
2. Travel Conveyance And Vehicle Running Expenses	610798	627777
3. Training Expenses	322690	56400
4. Rent Rates And Taxes	1075113	926690
5. Repairs And Maintenance	746329	726795
6. Printing And Stationery	369950	433703
7. Communication Expenses	402732	379934
8. Legal And Professional Charges	374583	396107
9. Auditors Fees, Expenses Etc. As Auditor	76044	65847
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	500957	392990
11. Interest And Bank Charges	29337	21814
12. Others - Exchange (Gain) / Loss	156483	(645134)
IT Implementation	412174	224789
Outsourcing Expenses	3256677	1907564
Other Taxes	143355	52907
Others	1293455	892887
13. Depreciation	218206	329198
14. Service Tax Account	(141396)	519334
Total	30597548	26299068
Apportioned to Fire Segment	5936504	5186762
Apportioned to Marine Segment	1176129	1218890
Apportioned to Miscellaneous Segment	23484915	19893416
Total	30597548	26299068



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules for the year ended 31st March, 2015

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)

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



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

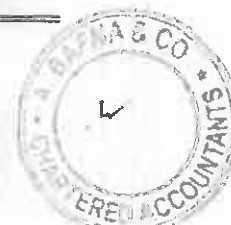
Schedules for the year ended 31st March, 2015

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)	83131296	74391706
Addition during the year - Balance Transferred From P & L Account	10712245	8765424
Deferred tax due to Depreciation	17653	
Deduction during the year -		
Transfer to P & L Account for Equalization / Contingency Reserves for Foreign Branches	(323666)	(25834)
Change in Depreciation due to Companies Act, 2013	(51937)	0
(Cl. Balance)	93485591	83131296
5. Catastrophe Reserve	0	0
6. Other Reserves		
A. Foreign Currency Translation Reserve		
Opening Balance	10378141	7167579
Addition During The Year (Refer Note No 17 To Notes To Accounts In Schedule 16 B)	0	3210562
Deduction During The Year	(1103950)	0
(Cl. Balance)	9274191	10378141
B. Contingency Reserves For Unexpired Risks (Created in 2009-10 as per IRDAI Circular No. IRDA/F&I/CIR/F&A/CIR/081/12/2009 dt.17.12.2009 in respect of Health Segment) (Opening Balance)	0	449500
Transfer to P & L Account for General Reserve	0	(449500)
Closing Balance	0	0
C. Equalization / Contingency Reserves for Foreign Branches		
Opening Balance	1424219	1218092
Addition During The Year	311929	206127
(Cl. Balance)	1736148	1424219
7. Balance Of Profit In Profit And Loss Account	0	0
Total	104496505	94934231

Schedule 7
Borrowings

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

Total Nil Nil



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules for the year ended 31st March, 2015

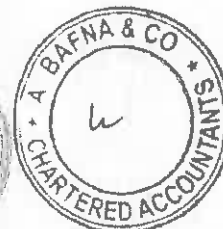
Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 8		
Investments		
Long term investments		
1. Government Securities		
Central Government Securities	71945839	52882261
State Government Securities	22173193	17026808
Foreign Government Securities	2751041	1391988
2. Other approved securities	43815	43815
3. Other investments		
a. Shares		
aa. Equity	265037062	209478692
bb. Preference		
Preference shares	8229	8229
Preference shares of railways in India	0	0
b. Mutual funds/ ETF	637752	459498
c. Derivative instruments	0	0
d. Debentures/Bonds/PTCs		
Debentures in India	20478366	14729002
Other debentures - Foreign	158315	166669
e. Other securities (to be specified)		
Foreign shares	99627	33341
Foreign preference shares	0	0
Foreign securities	0	0
Special deposit with Government of India	0	0
f. Subsidiaries	981719	597099
g. Investment properties (real estate)	0	0
4. Investment in infrastructure and social sector	27714549	22614576
5. Investment in housing bonds	16347676	15993294
6. Other than Approved Investments, Debentures, Pref. shares, Foreign Shares, Venture Funds and Equity	3979124	2481714
Total	432356307	337906986



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules for the year ended 31st March, 2015

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 8 Continued		
Short Term Investments		
1. Government Securities		
Central Government Securities	3709979	1375968
State Government Securities	1499669	4703719
2. Other Approved Securities	0	0
3. Other Investments		
a. Shares		
aa. Equity	0	0
bb. Preference	0	0
b. Mutual Funds	0	0
c. Derivative Instrument	0	0
d. Debentures/Bonds/PTCs		
Debentures in India	3422553	2878498
Other Debentures Foreign	0	0
e. Other Securities	0	0
f. Subsidiaries	0	0
g. Investment Properties (Real Estate)	0	0
4. Investment In Infrastructure And Social Sector	8470237	6083202
5. Other Than Approved Investments	149365	25000
Total	17251803	15066387
Grand Total	449608110	352973373
Investments		
1. In India	445445571	350549972
2. Outside India	4162539	2423401
<i>Investment in foreign associates included in equity above</i>	162495	162495
<i>Aggregate amount of Companies Investments in other than listed equity shares Book Value</i>	788961	581374
<i>Market value</i>	775598	572542
<i>Preference shares and FTL preference shares (LTUA) amounting to ₹ 84498 (P.Y. ₹ 84498) is netted against interest suspense of an equal amount. Debentures and FTL debentures amounting to ₹ 48089 (P.Y. ₹ 55409) are netted against interest suspense of an equal amount. Equity shares amounting to ₹ 276 (P.Y. ₹ 21749) is 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 8		
Debentures - Standard Provisions	96612	71935
Housing sector bonds - Standard Provisions	85180	71779
Infrastructure investments - Standard Provisions	125013	107058
Investments in OAS - Standard Provisions	175	175
Other than approved investments (Debenture)	500483	515987
Equity - Thinly traded and unlisted equity - diminution in value	38736	13841
Equity - Long term unapproved thinly traded and unlisted equity - diminution in value (F)6034/12	28679	90101
Equity subsidiary - Long term unapproved thinly traded and unlisted equity - diminution in value (F)6039/12	1535	1535
Investments in France Agency (Foreign & France)		
Total	876413	872411
Note:		
<i>Interest suspense for Debtors include in sch 12 -B8b</i>	1594	1594
<i>S H C.I. include in in sch 12 -B8b</i>	30189	93426
<i>Loans To State Government Housing, Ffe Loans To Hudco Includes in Sch - 9</i>	788394	960699



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules for the year ended 31st March, 2015

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	1962816	2026771
Direct Term Loans	672675	691944
bb. Outside India Housing, Vehicle Loan To Employees	4562	5316
b. On Shares, Bonds, Government Securities	0	0
c. Others		
Loans to Subsidiaries	100907	179300
Loans To State Government Housing, Ffe Loans	788394	960699
Unsecured (Term Loans, Bridge Loans, Short-Term Loans, Term Loans PFPS)	147520	147520
Total	3676874	4011550
2. Borrower-Wise Classification		
a. Central And State Governments(Term Loans, Housing and FFE)	788394	960699
b. Banks And Financial Institutions	0	0
c. Subsidiaries	100907	179300
d. Industrial Undertakings (Term Loans, Bridge Loans, Short-Term Loans, Loans To PFPS)	789690	807769
e. Others - Housing Loans, Vehicle Loans, Computer Loans To Employees	1967378	2032087
Term Loans and PFPS	30505	31695
Total	3676874	4011550
3. Performance-wise Classification		
a. Loans Classified as Standard		
aa. In India: Term Loans, Bridge Loans, State Government Housing And FFE, PFPS	768823	937130
Housing, Vehicle And Computer Loans To Employees	1962816	2026771
bb. Outside India (Loans To Employees)	4562	5316
Loans to Subsidiaries	100907	179300
b. Non-Performing Loans less Provisions		
aa. In India (Term Loans, Bridge Loans, Short-Term Loans, Loans PFPS)	839766	863033
bb. Outside India	0	0
Total	3676874	4011549
4. Maturity-wise Classifications		
a. Short-Term (Term Loans, Direct Bridge Loans, Short-Term Loans, Term Loans PFPS)	0	0
b. Long-Term		
(Term Loans Direct, Loans State Government Housing and FF, and Loans PFPS)	1608589	1800163
Loans to Subsidiaries	100907	179300
Housing, Vehicle, And Computer Loans To Employees	1967378	2032087
Total	3676874	4011550

PFPS and FITL PFPS amounting to ₹637976 (P.Y. ₹646661) 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

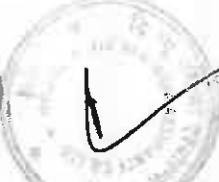
Direct term loans (Investments)	20783	20783
Bridge loan (Investments)	400	400
Term loans PFPS std.provision	0	0
Term loans PFPS	594693	597458
Short term loans (Investments)	85068	85068
Housing loans to state govts. - std.provision	3020	3668
Housing loans to state govts	16639	18070
FFE loans to state govts - std.provision	2932	2932
FFE loans to state govts	723591	728460
Total		

Note:

Interest suspense for Debtors include in sch 12-B8b

Loans To State Government Housing, Ffe Loans To Hudco Includes from Sch - 8

5010 5010
788394 960699



The New India Assurance Company Limited
Registration Number 190

Schedule for the year ended 31-03-2015
Schedule 10

Particulars	Gross Block				Depreciation Fund				Net Block	
	Opening Balance.	Additions / Adjustments	Deletions	* Closing Balance	Opening Balance.	Additions / Adjustments	Deletions	* Closing Balance	Closing	Opening
	01-04-2014	During 2014-2015	During 2014-2015	31-03-2015	01-04-2014	During 2014-2015	During 2014-2015	31-03-2015	31-03-2015	31-03-2014
Fixed Assets										
Goodwill	0	0	0	0	0	0	0	0	0	0
Intangibles (CWISS Software)	102986	0	0	102986	102986	0	0	102986	0	0
Land Freehold	80440	179	0	80619	0	0	0	0	80619	80440
Leasehold Property	8714	1199	0	9913	2681	192	0	2873	7040	6033
Buildings	1735404	8293	2341	1741356	871306	16671	490	887487	853869	864098
Furnitures & Fittings	541935	70477	29338	583074	457069	27619	25449	459239	123835	84866
Information & Technology Equipments	2531934	271243	144852	2658325	2396172	90668	114977	2371863	286462	135763
Vehicles	1057078	176943	149728	1084293	535093	101048	99748	536393	547900	521985
Office Equipments	117403	10434	11162	116674	96557	12815	8401	100971	15703	20846
Other Assets	280414	61007	9301	332120	216179	21128	5302	232006	100116	64235
Grand Total	7383308	599775	346723	7636360	5605043	270141	254367	5620817	2015543	1778265
Previous Year	7019442	622221	258356	7383307	5490810	329196	214965	5605043	1778265	1528653

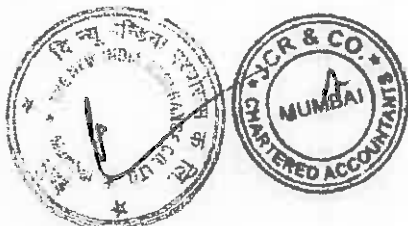
* Due to foreign currency fluctuation



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules for the year ended 31st March, 2015

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 11		
Cash and Bank Balances		
1. Cash (Including Cheques, Drafts and Stamps)	2247699	1277313
2. Bank Balances		
a. Deposit Accounts		
aa. Short - Term (due within 12 Months)	29427498	30885363
bb. Others	39014820	41225085
b. Current Accounts	7876130	10643292
3. Money at Call and Short Notice		
With Banks	2397298	1066879
With other Institutions	1538854	4552106
Total	82502299	89650037
Cash and Bank Balances In India	33439715	39252289
Cash and Bank Balances Outside India	49062584	50397748
Total	82502299	89650037
<i>1 above includes remittance in transit</i>	0	0
<i>Balances with non scheduled banks included in 2b above</i>	3242965	3410386
<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>	31004	31004
Total	31004	31004



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules for the year ended 31st March, 2015

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 12		
Advances and Other Assets		
A. Advances		
1. Reserve Deposits With Ceding Companies	165554	125649
2. Application Money For Investments	87321	0
3. Pre-Payments	366181	44870
4. Advances To Directors / Officers	0	0
5. Advance Tax Paid And Taxes Deducted At Source (Net Of Provision For Taxation)	4631155	9553733
6. Others	375347	370356
Total (A)	5625558	10094608
B. Other Assets		
1. Income Accrued On Investments	6218091	5366473
2. Outstanding Premiums	1810756	1411456
3. Agents Balances	3562448	3226024
4. Foreign Agencies Balances	1633082	1195878
5. Due From Other Entities Carrying Insurance Business (Including Reinsurers)	47715102	42125331
6. Due From Subsidiaries/Holding Companies	0	601
7. Deposit With R B I (Pursuant to Section 7 Of Insurance Act 1938)	107514	107515
8. Others - a. Other Accrued Income	809621	1090408
b. Others Including Sundry Debtors & Interoffice Accounts	9803720	15621140
c. Service Tax Unutilized Credit	411147	684799
Total (B)	72071481	70829625
TOTAL(A+B)	77697039	80924233

Sundry Debtors amounting to ₹6604 (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	942847	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, Hongkong, New Zealand)	0	60297
Foreign balances included in B4 above (Manila & Dubai)	104358	42885
Foreign balances included in B5 above (Mauritius, Singapore, France)	11092	2341
Foreign balances included in B6 above (Ghana, T&T, Kuala Lumpur)	0	0
Foreign balances included in B8 above (Equatorial Bank London)	10302	6271
Indian reinsurance balances/Miscellaneous debtors included in B5B above	200000	200000
Indian balances included in B3 above	42532	11263
Indian balances included in B8b above	67709	233365
Indian miscellaneous debtors included in 12 B 4 above	0	104700
Indian miscellaneous debtors included in B8b above (TCS)	63665	18554
Sundry debtors(5192) investments Indian included in B8 above - Std. provision	673	1791
Sundry debtors(5192) investments Indian included in B8 above	3851	3851
Sundry debtors(5192) investments(F) Indian included in B8 above	917	849
Income accrued on investments(5131(F)) Indian included in B1 above	2	2
Total	1542426	1723494

Note:

Interest suspense for Debtors include in B8b above
S.H.C.I. include in B8b above

6604 6604
93426 93426



The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2015]

Schedules for the year ended 31st March, 2015

Particulars	Current year ₹ (000)	Previous year ₹ (000)
Schedule 13		
Current Liabilities		
1. Agents Balances	257385	227781
2. Balances Due To Other Insurance Companies	20089058	14461662
3. Deposits Held On Reinsurance Ceded	121977	283766
4. Premium Received In Advance	1011850	792453
5. Un-Allocated Premium	0	0
6. Sundry Creditors - a. Other Than Service Tax Payable	18189791	11007221
b. Service Tax Payable	486087	878133
7. Due To Subsidiaries / Holding Company	0	0
8. Claims Outstanding	149884564	139729745
9. Due To Officers/Directors	0	0
10. Others	3202160	11049133
Policy Holders Fund - Excess Premium Collected	282201	166461
Policy Holders Fund - Refund Premium Due	246563	196385
Policy Holders Fund - Stale Cheques	669783	598649
Total	194441419	179391391

Schedule 14
Provisions

1. a. Reserve for Un-Expired Risks	70601412	64366281
b. Premium Deficiency Reserve	0	0
2. Provision for Taxation (Net of Payment of Taxes)	0	0
3. Provision for Proposed Dividend	3000000	2200000
4. Provision for Dividend Distribution Tax	600000	373890
5. Others - Reserve for Bad and Doubtful Debts.	3144358	3249893
Provision for Diminution in value of Thinly Traded / Unlisted Shares	68951	105478
Provision for Wage Arrear	5926746	2016746
Provision for Leave Encashment	4875000	4875000
Total	88216467	77187288

Schedule 15
Miscellaneous Expenditure

1. Discount Allowed in Issue of Shares and Debentures	0	0
2. Others - Contribution to Gratuity Trust (Deferred Expenses to the Extent not Written Off)	0	343120
Total	0	343120



Receipts & Payments Account / Cash Flow Statement for the period from 01/04/2014 to 31/03/2015

Particulars	Current Year ₹ (000)	Previous Year ₹ (000)
A. Cash Flows from the operating activities:		
1. Premium received from policyholders, including advance receipts	173623008	152583232
2. Other receipts	90935	176423
3. Payments to the re-insurers, net of commissions and claims	(2745078)	(10640097)
4. Payments to co-insurers, net of claims recovery	(2388019)	(3681675)
5. Payments of claims	(110673889)	(88477008)
6. Payments of commission and brokerage	(13355537)	(12050512)
7. Payments of other operating expenses	(25606680)	(24148458)
8. Preliminary and pre-operative expenses	0	0
9. Deposits, advances and staff loans	2112138	1521125
10. Income taxes paid (Net)	1391099	37125
11. Service tax paid	(13553611)	(12255311)
12. Other payments	(226369)	1333879
13. Cash flows before extraordinary items	0	0
14. Cash flow from extraordinary operations	0	0
Net cash flow from operating activities	8667997	4398723
B. Cash flows from investing activities:		
1. Purchase of fixed assets	(599775)	(622221)
2. Proceeds from sale of fixed assets	115136	57082
3. Purchases of investments	(64960179)	(35125863)
4. Loans disbursed	78465	(179228)
5. Sales of investments	33531056	24376052
6. Repayments received	19269	1819430
7. Rents/Interests/ Dividends received	20969474	17602593
8. Investments in money market instruments and in liquid mutual funds	0	0
9. Expenses related to investments	(152105)	(277237)
Net cash flow from investing activities	(10998659)	7650608
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	(2573890)	(1988915)
Net cash flow from financing activities	(2573890)	(1988915)
D. Effect of foreign exchange rates on cash and cash equivalents, net	(2243186)	5509689
E. Net increase in cash and cash equivalents:	(7147738)	15570105
1. Cash and cash equivalents at the beginning of the year	89650037	74079932
2. Cash and cash equivalents at the end of the year	82502299	89650037

Jayashree Nair
Company Secretary

S. R. Rajeswari
Chief Financial Officer

K. L. R. Babu
Director

K. Sanath Kumar
Director

G. Srinivasan
Chairman-Cum- Managing Director

As per our report of even date

For JCR & Co.
Firm Reg. No. 105270W
Chartered Accountants

Jashvant Raval
Partner
Membership Number 012926

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

Neeraj Golas
Partner
Membership Number 074392

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

M. K. Gupta
Partner
Membership Number 073515

Mumbai
April 30, 2015



Schedule 16

**Significant Accounting Policies and Notes forming part of
Financial Statements as on 31st March, 2015**

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 the master circulars 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

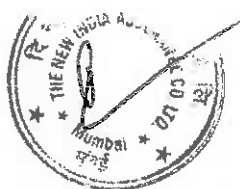
Premium income is recognized on assumption of risk. A reserve for Unearned Premium for each segment, representing that part of the recognized premium attributable to the succeeding accounting periods, calculated on time apportionment basis is created. This forms part of the un-expired risk reserves.

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.



The New India Assurance Co Ltd.

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

Reserve for un-expired risk is made as per the provisions of the Insurance Act at 50% of net premium in respect of fire, marine cargo and miscellaneous business and 100% in respect of marine hull business.

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 deficiency is recognized only to the extent of excess of unearned premium plus premium deficiency so calculated over the unexpired risk reserves at the percentages mentioned herein above. Premium deficiency shall be recognized for the Company as a whole on an annual basis as per IRDA's Corrigendum on Master circular IRDA/F&A/CIR/FA/126/07/2013 dated 3rd July 2013. Premium deficiency forms part of unexpired risk reserves.

9. Acquisition Costs.

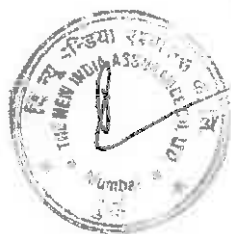
Acquisition costs are primarily related to acquisition of insurance contracts and have been expensed in the year in which they are incurred.

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:



The New India Assurance Co Ltd.

- 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.



The New India Assurance Co Ltd.

- D The cost of investments includes premium on acquisition, brokerage, transfer stamps, transfer charges 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.

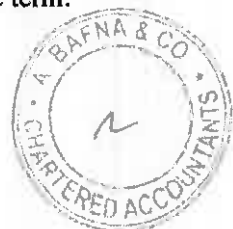
- Foreign operations:

- 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

- 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.

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 January, 2004 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 gross direct premium plus reinsurances accepted giving weightage of 75% for marine business and 100% each for fire and miscellaneous business.

20. Segregation of Policy Holders and Share Holders funds:

Investment Assets includes Policyholders as well as Share holders. Investment Assets are not segregated between Shareholders and Policyholders at 'Scrip' level, due to practical difficulties. Investments are 'allocated' to the policy holders' funds to the extent of Technical reserves and to shareholders funds to the extent of share capital and reserves and surplus.

21. 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.

Shareholders' Funds for this purpose consist of Share Capital, General Reserves, Capital Reserves and Foreign Currency Translation Reserve.

Policyholders' Funds consist of Technical Reserves i.e. Un-expired Risk Reserve plus Provisions for Outstanding Claims.

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

- 1 The accounts incorporate Audited accounts of branches in Fiji, Canada and Thailand on Calendar basis prepared as per the local laws. There are no material changes for the quarter Jan 2015 to March 2015. The accounts of 3 run-off Agencies and representative office at Myanmar have been incorporated on the basis of unaudited accounts. The other 5 run-off agencies have been closed as on 31.03.2015.
- 2 Buildings include ₹ 968.37 Lakhs (Previous Year ₹ 698.84 Lakhs) in respect of which the deeds of conveyance are yet to be executed.
- 3 a The balances 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. As RI Balances reconciliation is a Ongoing process, confirmation of balances are done at a regular intervals, not on a specific cut-off date (i.e. Annual Closing date). However, company has maintained provision of ₹ 12373.25 Lakhs upto 31.03.2015 towards doubtful debts as a prudent measure."
- b Reinsurance acceptance transactions pertaining to the year have been booked for advices received upto 21st April 2015.
- c The balances of inter-office accounts included in Other Asset amounting to ₹39621.40 lakhs (Debit), previous year ₹15737.72 lakhs (Debit), are subject to reconciliations and consequential adjustments if any.
- 4 As certified by the Custodian, securities are held in the name of the Company as on 31.03.2015. Variations and other differences are under reconciliation and are not expected to have a material impact on the state of affairs of the Company.
- 5 Certificates of Confirmation are awaited for earlier years Foreign Investments amounting to ₹ 6.07 lakhs (Previous Year ₹122.06 lakhs). However ₹ 6.07 lakhs is provided for.
- 6 a Provision for standard assets @ 0.40% amounting to ₹ 3107.30 Lakhs (Previous Year ₹ 2564.87 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 and (vi) Loans to HUDCO for Housing (vii) Govt. Guaranteed Bonds/Securities (viii) Housing and Fire fighting Loans to State Governments (ix) Debtors
- b During the year, the Company has undertaken restructuring of corporate debt/loans etc. as under:

Sr. No.	Particulars	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
	Total amount of assets subjected to restructuring	Nil	1,753.35
	The break up of the same is given here under:		
a (i)	Total amount of standard assets subjected to restructuring	Nil	-
b (ii)	Total amount of sub-standard assets subjected to restructuring	Nil	-
c (iii)	Total amount of doubtful assets subjected to restructuring	Nil	1,277.75
d (iv)	Total amount of loss assets subjected to restructuring	Nil	475.57
	Total	Nil	1,753.35

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	14081.31	13561.48
(ii)	Additions During the Year	Nil	1306.29
(iii)	Reductions During the Year	596.85	786.46
(iv)	Closing Balance	13484.46	14081.31
	Percentage of Net NPAs to Net Assets	0.05%	0.08%

ii) Details of Provisions on NPA (other than standard provisions)

Sr. No.	Particulars	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
(i)	Opening Balance	12445.50	12566.88
(ii)	Incremental Provision During the Year	-196.79	-121.38
(iii)	Closing Balance	12248.71	12445.50



- 7 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 31.03.2015, they have been shown under long-term investments, as their realisability is unascertainable. However, necessary provision, wherever required, has been made.
- 8 a There are following cases of non-compliance/contravention of Insurance Regulatory & Development Authority (Investment) Regulations, 2000:
The Company is in the process of improving the system to ensure that the investment exposure at any point of time does not exceed the prescribed limits under Regulation 5. However, there is no case of violation of the prescribed exposure limits.
- b 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:
- Segmental reporting in respect of Public and Product Liability is not disclosed separately for foreign business.
 - The provisions against loans ₹11885.72 Lakhs (Previous Year ₹12382.50 Lakhs) have been shown in Schedule 14 "Provisions". Consequently, the "Loans" shown in the Schedules 9 have not been reduced to the extent of provisions made against thereof, as required by Part V of Schedule B of the Regulation.
 - Receipts & Payments Account/(Cash Flow Statement) has 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 certain Bank Accounts.
- c As per IRDA circular no IRDA/F&I/CIR/CMP/174/11/2011 dated 04.11.2010, Company is required to give the detail of Age-wise analysis of unclaimed amount of the policy holders for the year ended 31st March, 2015. Accordingly the unclaimed amount of ₹11985.47 lakhs (P.Y. ₹9614.96) representing the excess premium collected, refund premium and the amount lying in stale cheque accounts and unclaimed amount towards claim is not ascertainable. Further, as required, age-wise analysis is not available.
- 9 (a) Investment in term loans, loans to State Government for the purpose of Housing & Fire fighting equipments and balances on account of restructuring/rescheduling of debts are subject to confirmations and reconciliations. The impact of adjustments if any, arising out of confirmations / reconciliations of such balances on financial statements are unascertainable.
- (b) The reconciliation of various accounts relating to inter office accounts related to domestic and foreign operations, Control Accounts, old balances appearing in legacy software, sundries and suspense, co-insurance, Re-insurance balances, certain Bank Accounts including revenue stamps in hand, other assets and other liabilities etc. is under progress. The impact of the above, if any, on the financial statements is unascertainable.
- 10 Prior period items have been included in the respective heads amounting to ₹1085.36 lakhs (Debit) [Previous Year ₹ 271.21 Lakhs (Debit)] consisting of the following :-

Sr. No.	Particulars	Current Year		Previous Year	
		Debit Amount	Credit Amount	Debit Amount	Credit Amount
1	Premium	5.23	3.19	-	1.13
2	Commission	1.28	0.65	-	-
3	Claims	4.66	9.41	-	-
4	Expenses	1,284.92	1.05	569.08	-
5	Income	30.00	226.43	-	296.74
	Total	1,326.09	240.73	569.08	297.87

11 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

- India International Insurance Pte. Ltd., Singapore
- KenIndia Assurance Co. Ltd., Kenya
- Wafa Insurance previously known as Saudi Indian Company for Co Operative Insurance, Riyadh
- Health Insurance TPA of India Ltd.,



c Key Management Personnel of the Company

i)	Shri G. Srinivasan	Chairman cum Managing Director
ii)	Shri K. Sanath Kumar	Director & General Manager
iii)	Shri K L R Babu	Director & General Manager
iv)	Shri V. Hari Srinivas	General Manager and Financial Advisor
v)	Shri Sharad Ramnarayanan	Appointed Actuary
vi)	Ms S.N. Rajeswari	Chief Finance Officer
vii)	Shri Renjit Gangadharan	Chief Marketing Officer
viii)	Shri S. Shankar	Chief Risk Officer
ix)	Shri S.R. Shreeram	Chief Investment Officer
x)	Ms Jayashree Nair	Company Secretary & Compliance Officer

2 Transactions with related parties

			₹ in Lakhs	
Sr. No.	Nature of Relationship	Nature of Transaction	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
i)	Subsidiaries	Management fees earned (NIA T&T)	48.99	83.59
		Premium on Reinsurance Accepted	448.46	495.12
		Commission on Reinsurance Accepted	(89.65)	(97.50)
		Claims Paid	(96.29)	(114.00)
		Dividend income received(NIA T&T)	278.09	164.64
		Equity Purchased (Rights) Prestige	(3,846.20)	NIL
		Loan Installments & Interest Received Prestige Assurance	827.99	NIL
		Dividend receivable	NIL	182.15
		Loan	NIL	(1,793.00)
ii)	Associates	Premium on Reinsurance Accepted	1,450.32	1,347.00
		Commission on Reinsurance Accepted	(158.21)	(317.00)
		Claims Paid	(1,252.32)	(835.00)
		Dividend income received from III Singapore	392.01	251.36
		Dividend income received from Kenindia Assurance Kenya	35.21	NIL
		Investment in shares	NIL	-
		Dividend receivable	NIL	-
		Additional Equity Infusion in Health TPA of India	(237.50)	(237.50)
iii)	Key Management Personnel	Salary and allowances	148.25	124.74

B Disclosure as per Accounting Standard 20-"Earnings Per Share".

Particulars	Current Year	Previous Year
Net profit attributable to shareholders (₹ in Lakhs)	143122.45	108898.14
Weighted average number of equity shares issued	200000000	200000000
Basic and diluted earnings per share of ₹10/- each (₹)	71.56	54.45

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 ₹ 4735.35 lakhs (Previous year ₹2454.84 lakhs) relating to foreign taxes.
- The Income Tax Assessments of the Company have been completed up to assessment year 2012-13. 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.
- Income Tax Department during F.Y. 2013-14 adjusted refunds of ₹9005.45 lakhs towards tax demands pertaining to various years, without any intimation to the Company. The Company is in appeal in respect of various taxation issues in various levels of Hon'ble Judiciary on which Income Tax Dept has made unilateral set off. The Company is following up with the Tax Dept for recomputing the Tax Refunds unilaterally set off pursuant to an order of CIT(A) for A.Y. 2009-10 and the accounting of the adjustments shall be made after obtaining details from the Tax Dept.



iv Deferred Taxes

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

		₹ In Lakhs	
	Particulars	Current Year (₹, in Lakhs)	Previous Year (₹, in Lakhs)
i)	Fixed Assets		
ii)	Leave Encashment	393.76	752.58
iii)	Estimated Disallowance u/s 40(a) (ia)	16,536.13	16,536.13
iv)	Gratuity	33.99	33.99
v)	LTS	-	(1,166.26)
	Total	16,963.88	16,156.44

- Notes
- 1 A sum of ₹ 630.91 lakhs (Previous year ₹2432.02Lakhs) 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.

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		Unfunded	
A	Current Service Cost	8,583	12,000	2,317	4,435	1,325	2,300
B	Interest Cost	25,885	15,609	7,916	6,667	4,135	3,592
C	Expected Return on Plan Assets	(25,886)	(22,777)	(7,917)	(5,959)		
D	Curtailment Cost/(Credit)						
E	Settlement Cost/(Credit)						
F	Past Service Cost						
G	Actuarial Losses/(Gains)	9,105	21,110	198	11,919	4,643	3,457
H	Total expense recognized in the statement of Profit and Loss Account	17,687	25,942	2,514	16,024	10,103	9,349
Pension Gratuity and Leave Encashment expenses have been recognized in "Employee Remuneration and Welfare Benefits" under schedule 4.							
II	Actual Returns for the year 31.03.2015	25,279	27,230	7,892	7,677		
III	Net Asset/(Liability) recognized in Balance Sheet at 31.03.2015						
A	Present Value of Defined Benefit Obligation	3,14,692	3,04,534	96,835	93,125	53,767	48,650
B	Fair Value of Plan Assets	3,14,692	3,04,534	96,835	93,135		
C	Status (Surplus/Deficit)			-	(10)	53,767	48,650
D	Un recognized Past Service Cost						
E	Net Asset / (Liability) recognized in Balance Sheet				(10)	53,767	48,650
IV	Change in Defined Benefit Obligation during the year ended 31.03.2015						
A	Past value of the Defined Benefit Obligation at the beginning of the period	3,04,534	2,87,468	93,125	81,621	48,650	45,000
B	Current Service Cost	8,583	12,000	2,317	4,435	1,325	2,300
C	Interest Cost	25,885	15,609	7,916	6,667	4,135	3,592
D	Curtailment Cost/(Credit)						
E	Settlement Cost/(Credit)						
F	Plan Amendments						
G	Acquisitions						
H	Actuarial Losses/(Gains)	8,498	18,854	173	6,462	4,643	3,457
I	Asset Loss / (Gain)						
J	Benefits Paid	(32,808)	(29,417)	(6,696)	(6,060)	4,986	
K	Present Value of Defined Benefit Obligation at the end of the period	3,14,692	3,04,534	96,835	93,125	53,767	54,349



V	Change in the Fair Value of Assets during the year ended 31.03.2015						
A	Plan Assets at the beginning of the period	3,04,534	2,87,890	93,135	75,257	-	-
B	Acquisition Adjustment						
C	Expected return on Plan Assets	25,886	22,777	7,917	5,959	-	-
D	Asset (Losses)/Gains	(607)	2,256	(25)	17,979	-	-
E	Actual Company Contributions	17,687	21,028	2,504		-	-
F	Benefits Paid	(32,808)	(29,417)	(6,696)	(6,060)	-	-
G	Plan Assets at the end of the period	3,14,692	3,04,534	96,835	93,135	-	-
VI	Transitional Provisions						
	(Income)/Expense to be recognised						
VI	Actuarial Assumptions						
A	Discount Rate (%)	7.92%	8.50%	7.95%	8.50%	-	-
B	Expected Return on Plan Assets (%)	7.92%	8.50%	7.95%	8.50%	-	-
C	Rate of escalation in salary	4.00%	4.50%	4.00%	4.50%	-	-
VII	Major Category of Plan Assets as % of the Total Plan Assets as at 31.03.2015						
A	Government Securities	39.74%	36.72%	39.07%	39.02%	-	-
B	High Quality Corporate Bonds	50.62%	50.78%	48.33%	52.29%	-	-
C	Others	9.64%	12.50%	12.60%	8.69%	-	-
VIII	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.						

12 In 2010-11 the limit of gratuity payable to the employee was enhanced consequent to amendment to the Payment of Gratuity Act, 1972, (Government Gazette notification dated 24.05.2010). The maximum amount of gratuity payable has been increased from ₹3.50 lakhs to ₹10.00 lakhs per employee. As a result the gratuity liability of the Company has increased by ₹17156.00 lakhs.

In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire amount of ₹17156.00 lakhs is required to be charged to the Profit & Loss Account. As permitted by IRDA Circular Number IRDA/F&A/CIR/ACT/069042011 dated 18.04.2011 and the balance amount of ₹3431.20 lakhs is charged to the revenue in the current year and the amount stands fully amortised.

13 During the year, the Company has reviewed its fixed assets for impairment of loss as required by Accounting Standard 28 on impairment of assets. In the opinion of the management no provision for impairment loss is considered necessary.

14 Pre-payment premium received in present value terms on account of restructuring/reduction of interest rates in respect of loans/debentures is spread over the remaining tenure of such loans/debentures. Accordingly ₹ 36.77 Lakhs (P.Y ₹ 47.71 Lakhs) has been considered as income received in advance and shown in Schedule - 13 Current Liabilities under the head "Others".

15 The management is in the process of identifying enterprises which have been provided 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 2015 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 ₹11039.5 (Debit) Lakhs due to depreciation of foreign currency under the following heads (Previous Year ₹32105.62 Lakhs (Credit) consisting of the following.

Sr	Particulars	Current Year		Previous Year	
		Debit Amount	Credit Amount	Debit Amount	Credit Amount
1	Head Office Account	11,039.50	-	-	10,767.25
2	Outstanding claims	-	-	-	21,333.67
3	Fixed assets	-	-	-	4.70
	Total	11,039.50	-	-	32,105.62

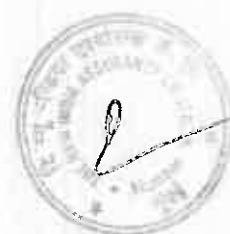
(₹ In Lakhs)



- 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:

Srl 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/CLE/ Department of Corporate Affairs or any Authority under Companies Act, 2013	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	Nil	Nil	Nil	Nil
10	Any other Central / State / Local Government / Statutory Authority	Nil	Nil	Nil	Nil

- 18 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 ₹ 10751.13 lacs (PY ₹9266.90 lacs) in respect of obligation under operating lease are charged to Revenue Account.
- 19 In the year 2011-12 the Company has created Equalization Reserve in respect of London Branch for ₹5082.85 Lakh (£6241000) as required by the UK Regulation. This reserve was not available for distribution as Dividend. In the year 2013-14 the reserve was valued at ₹ 6483.44 Lakh (£6500000). In the current year, the reserve has been enhanced by ₹ 3236.65 lakh (£3500000) and Further, ₹472.53 lakh has been transferred to the General Reserves to maintain the closing reserves at ₹ 9247.56 lakh (£10000000).
The Company also has appropriated ₹4123.49 Lakh for Muscat agency during the year 2012-13 in accordance with Oman Insurance Company Law, out of 7031.08 Lakh towards contingency reserve for claims, the balance amount of ₹2907.59 lakh being transferred from General Reserve. In current year 2014-15, the same has been revalued and stands at ₹8113.91 Lakh (5000000 omani riyal) due to currency fluctuation.



- 20 **DECLINED RISK POOL :**
The IRDA vide its Circular no. IRDA/NL/ORD/MPL/MPL/277/12/2011 Dated 23.12.2011 announced the creation of declined risk pool for Commercial Vehicles for standalone Third Party Liability Insurance (Act only insurance) with effect from 01.04.2012. The act only insurance policies of commercial vehicles which are declined under the norms of 'file and use' guidelines of IRDA as well as underwriting policy of respective company are covered under the pool.
- 21 IRDA vide their order no. IRDA/NL/MPL/223/11/2013 dt. 18th November 2013 advised to maintain Ultimate Liability Ratio (ULR) of 210% for Declined Risk Insurance Pool for year 2012-13.
Further vide Order No. IRDA/NL/ORD/MPL/251/11/2014 dt 27 November, 2014 IRDAI advised that ULR for 2013-14 for declined risk pool be fixed at 175% and also that the provisional quarterly settlement of the year 2014-15 be done at the ULR of 175%.
The provisions in the Company's accounts have been made in accordance with the above.
The company's total investments adequately cover the investment of the DR Pool funds also, though it is not earmarked separately, as stipulated by IRDA.
- 22 (a) Consequent to the enactment of the Companies Act 2013 (the Act) and its applicability for accounting period commencing after 01.04.2014, the Company has reviewed and revised the estimated useful lives of its fixed assets, generally to be in accordance with the provisions of the Schedule II of the Act. Further the company has also decided to change the method of depreciation to Straight Line Method as compared to the Written down value method, followed hitherto. The impact on account of change in accounting policy to the extent implemented and changes in useful lives, on the profit for the year has not been ascertained separately. However net impact arising out of the above has resulted in profit being higher by ₹ 2152.12 lacs. Further an amount of ₹519.37 lacs has been charged to retained earnings in respect of assets having no residual value pursuant to change in useful life.
- (b) The data related to fixed asset register hitherto maintained manually has been migrated to the company's accounting software during the current year in phases. Due to migration process the opening balances as appearing in the Fixed Asset module have been captured from the respective migration date of each asset, thereby impacting depreciation and Profit/Loss on sale of assets in case of assets retired during the year till the date of migration in the Fixed Asset Module due to change in the accounting policy and the changes in useful lives of these assets. The precise impact of the same has not been ascertained. Further the amounts migrated in the Fixed asset module are being reconciled with the financial ledgers of the company at respective locations.
- (c) In case of assets at Foreign Branches of the company, the opening WDV as received from the respective branches which is computed as per the accounting standards followed in these foreign Branches, has been considered for the purpose of implementing the changed accounting policy, and the same is being amortised over the remaining useful lives of these assets. The company is in the process of arriving at the original purchase cost of these assets and necessary accounting adjustments shall be carried out in due course. The impact of the above on the financial statements has remained unascertained.
- 23 Hitherto investments in venture funds were valued at Net Asset Value (NAV) and difference between cost/ book value and NAV is accounted in Fair Value Change account. In case of non availability of NAV as at the Balance Sheet date, investment is shown at cost. In order to comply with IRDA Regulations, investment in venture funds are valued at cost and wherever NAV as at balance sheet date is not available, latest available NAV is considered. Consequent to above change, profit for the period is lower by ₹ 76.08 lacs and increase in fair value change account amounts to ₹267.17 lacs.
- 24 (a) Pursuant to change in the method of valuation of the investment in equity shares outside India, which are now being valued at the last quoted price at the Exchange in the respective country, transfer to fair value change account has been reduced by ₹571.05 lacs.
- (b) The company has during the year changed the accounting policy of recognition of dividend from companies outside India at Gross basis instead of Net of withholding tax as hitherto, pursuant to which gross dividend income is higher by ₹31.32 lacs.
- 25 (a) As per the returns/ audit reports relating to foreign Branches and foreign agency offices, audited by the local auditors appointed by the company which have been incorporated in the financial statements prepared in accordance with the accounting principles generally accepted in the respective locations/countries and certain adjustments are carried out for the purpose of consolidation in accordance with the accounting policies followed by the company, as per consistent practice followed in this regard. The management has however initiated a process of identifying the impact of different accounting practices followed at respective locations and necessary accounting effects for the remaining adjustments, if any, to be in compliance with the generally accepted accounting principles in India and the accounting policies followed by the company, shall be carried out in due course. The precise financial impact of the same has not been ascertained.
- (b) The audit reports received in case of the foreign Branches/offices are also not in strict accordance with the requirements laid down in SA700 issued by the ICAI and matters required under the provisions of the companies Act, 2013 read with IRDA Regulations 2002. The management is however initiating steps necessary to ensure the compliance of laid down guidelines in this regard.



26

The company had hitherto an accounting policy to provide for the Reserve for unexpired risk to the extent of net premium written which is attributable to and to be allocated to the succeeding period subject to the minimum 100% of net premium for marine business and 50% of net premium for other class of business. Since the computation by 1/365 method by the company was based on estimates based on net premium calculated on average rate of premium for the previous financial year related to Direct business and the company is in the process of putting necessary systems in place to ensure the precise computation of Reserve for unexpired risk based on 1/365 method, the company has during the year changed the accounting policy in this regard whereby the Reserve for unexpired risk is being calculated as per the Insurance Act, 1938 at 100% of the marine hull business and 50% of the net premium in case of fire, miscellaneous and marine cargo business. Consequent to the above, Profit for the year is higher by ₹29236.89 lakhs.

27

Pending settlement of proposed wage revision effective from 1st August 2012, an ad-hoc provision of salaries and allowance for wage arrears amounting to ₹39100 lakhs lacs during the year has been made which is inclusive of incremental liability towards retirement benefits on account of revision in wage arrear. The total of such provisions held as on 31.03.2015 is ₹ 59267.46 lacs.

28

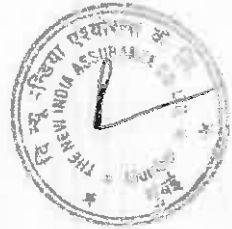
In accordance with the provisions of the Companies Act, 2013, the Company has approved an expenditure of ₹ 1602 lakhs for the financial year 2014-15 towards Corporate Social Responsibility. Out of the above an amount of ₹ 325.57 lakhs has been incurred during the year. The balance could not be spent due to non availability of suitable projects matching with the CSR policy of the Company.

29

As per the accounting policy followed by the company, the claims outstanding are provided for which include claim intimations received till the year end in respect of Direct business. As per the consistent practice followed an amount of ₹ 3158.20 lakhs has been provided for towards claims intimated before 31.03.2015 and remaining to be registered, based on the information available subsequent to the Balance Sheet date. In respect of health insurance, the claims intimated but not captured in the CWISS system are accounted for based on information received from respective TPA.

30

During the FY 2013-14, a local court in Jordan had passed an order for attachment & Sale of Shares held by the company in United Insurance Company Jordan and also attached dividend for 3 years thereon, totaling to ₹ 225 lacs against Old Marine claim & Court / Lawyer fees etc. Since the company did not have any information for the same till the finalization of accounts, no accounting for the same could be done during FY 2013-14. The same has been accounted for during the year and disclosed under "Prior period items".



16 C. Disclosures Forming Part Of Financial Statements

Sr. No	Particulars	(₹ in Lakhs)	
		Current Year	Previous Year
1	The details of contingent liabilities are as under:		
(a)	Partly-paid up investments		
(b)	Underwriting commitments outstanding	775.52	731.52
(c)	Claims, other than those under policies, not acknowledged as debts	-	-
(d)	Guarantees given by or on behalf of the Company	19,497.85	17,361.29
(e)	Statutory demands/liabilities in dispute not provided for	83.31	86.84
(f)	Reinsurance obligations to the extent not provided for in accounts	2,64,453.39	2,39,459.96
(g)	Others (matters under litigation) to the extent ascertainable	-	-
(h)	Tax and other liabilities Venture Fund	646.56	1,348.52
		1,343.10	1,343.10
2	The details of encumbrances to the assets of the Company are as under:		
(a)	In India		
(b)	Outside India	4,615.00	3,545.11
		208.70	200.67
3	Commitment made and outstanding for Loans Investments and Fixed Assets	866.44	900.70
4	Claims, less reinsurance, paid to claimants:		
(a)	In India		
(b)	Outside India	8,45,884.94	5,40,501.14
		1,67,216.74	1,91,358.94
5	Claim liabilities where claim payment period exceeds four years.		
6	Amount of claims outstanding for more than six months (Gross Indian)		
	No. of Claims	7,25,313.49	6,14,605.32
	Amount of claims outstanding for less than six months (Gross Indian)	1,72,968	1,82,469
	No. of Claims	2,62,053.37	2,02,733.02
	Total amount of claims outstanding (Gross Indian)	1,14,056	1,01,287
	Total No. of claims outstanding	9,87,366.87	8,17,338.34
		2,87,044	2,83,756
7	Premiums, less reinsurances, written from business		
(a)	In India		
(b)	Outside India	11,31,114.23	9,59,591.36
		2,62,766.20	2,48,270.20
8	The details of contracts in relation to investments, for		
	Purchases where deliveries are pending		
	Sales where payments are overdue	387.29	
	Sales where deliveries are pending	85.40	934.26
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	1,075.14	1,075.15
(b)	Outside India- Statutory Deposits under local laws	51,612.48	50,611.04
11	Segregation of investments into performing and non-performing investments where NPA Provision is		
	Performing (Standard) Investments		
	Non Performing Investments	7,76,823.98	6,41,218.20
	Total Book Value (Closing Value)	13,484.46	14,081.31
		7,90,308.44	6,55,299.51

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

13 Premium is recognized as income on assumption of the risk Reserve for un-expired risk is made as per the provisions of the Insurance Act at 50% of net premium in respect of fire, marine cargo and miscellaneous business and 100% in respect of marine hull business.

14 Operating expenses relating to insurance business are apportioned to the revenue account on the basis of gross direct premium plus reinsurance accepted giving weightage of 75% for marine business and 100% each for fire and miscellaneous business.



- 15 The historical/weighted average cost of investments in equity shares / venture funds, is ₹402452.13 lakhs (Previous year ₹330202.46 Lakhs) and ₹1280.65 Lakhs (Previous year ₹493.97 Lakhs) respectively. However, the historical/weighted average cost in respect of investment in listed equity/equity related instruments/preference shares, the value of which had impaired on or before 31st March, 2000 is not available with the Company, and hence, the carrying value of the same as on 01.04.2000 is presumed to be the historical/weighted average cost.
- 16 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 2014-15, does not exceed 11% of Net Profit of the Company.
- 17 Amortisation of debt securities is done from the date of investment on the basis of actual number of days upto the date of Sale/ Redemption/ 31st March, 2015 While working out amortisation put/call option is not considered. However, partial redemption if any, is taken into account.
- 18 a) Unrealised gains / losses arising due to change in the Fair Value of listed equity shares and equity related instruments have been taken to "Fair Value Change Account" and on realisation will be transferred to profit and loss account.

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

19 The Company does not have Real Estate Investment Property.

20 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	185975.21	14.08	3399946	175645.00	15.22	1487555
Social	44680.64	3.38	50417387	46822.00	4.06	37666578
Others	1090283.65	82.54		931538.97	80.72	
Total	1320939.50	100.00		1154005.97	100.00	

21 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	164489.27	81861.17	246350.44	141176.57	72541.37	213717.94	16.51	12.85	15.27	5.93	21.82	10.84
Marine Cargo	32883.77	5192.64	38076.40	32022.44	6231.08	38253.52	2.69	-16.67	-0.46	0.79	7.61	1.84
Marine Hull	33644.02	5382.89	39026.91	39124.05	5752.28	44876.32	-14.01	-6.42	-13.03	11.08	26.43	12.83
Marine Total	66527.78	10575.53	77103.31	71146.48	11983.36	83129.84	-6.49	-11.75	-7.25	6.20	15.89	7.50
Motor	536600.52	90058.47	626658.99	460461.42	92792.12	553253.54	16.54	-2.95	13.27	21.30	13.24	19.87
Personal Accident	18560.00	1972.41	20532.41	16896.24	1331.33	18227.57	9.85	48.15	12.64	6.34	-0.86	5.78
Aviation	10434.08	0.00	10434.08	9357.88	-0.47	9357.42	11.50	-100.00	11.51	-23.56	-	-23.57
Engineering	41774.94	9866.50	51641.45	41467.79	10289.30	51757.10	0.74	-4.11	-0.22	-0.93	17.54	2.26
Health	394179.21	7583.60	401762.81	331577.45	3361.95	334939.40	18.88	125.57	19.95	20.40	38.20	20.56
Liability*	26439.94	15086.28	41526.22	25090.79	13552.86	38643.65	5.38	11.31	7.46	9.72	78.80	26.92
Others	61933.75	10092.48	72026.23	56831.34	12903.08	69734.42	8.98	-21.78	3.29	2.10	11.06	3.65
Misc sub Total	1089922.44	134659.75	1224582.20	941682.92	134230.18	1075913.09	15.74	0.32	13.82	17.19	18.09	17.30
Grand Total	1320939.50	227096.45	1548035.95	1154005.97	218754.90	1372760.87	14.47	3.81	12.77	14.96	19.18	15.62

*Liability includes Workmen's compensation

ii) Gross Direct Premium to Net Worth Ratio:

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Gross Direct Premium	1548035.95	1372760.87
b. Net Worth	972223.14	862129.70
Gross Direct Premium to Net Worth Ratio (Times) (a/b)	1.59	1.59

iii) Growth Rate of Net Worth:

(₹ in Lakhs)						
	Current Year	Previous Year	Growth (CY)	Growth (PY)	Growth % (CY)	Growth % (PY)
Net Worth	972223.14	862129.70	110093.44	88393.37	12.77	11.42



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	174341.41	88635.17	50.84	150458.06	77119.89	51.26
Marine Cargo	33154.83	26131.06	78.82	32022.44	26047.25	81.34
Marine Hull	34633.09	9095.00	26.26	40810.43	7112.09	17.43
Marine Total	67787.92	35226.06	51.97	72832.86	33159.34	45.53
Motor	555303.69	513783.89	92.52	460461.42	422094.61	91.67
Personal Accident	19208.59	18088.69	94.17	17303.93	16066.17	92.85
Aviation	10630.27	-1766.45	-16.62	10107.57	-4529.62	-44.81
Engineering	45556.39	25030.02	54.94	46900.34	26644.05	56.81
Health	394179.21	374267.21	94.95	331577.45	314581.45	94.87
Liability*	26635.97	22506.84	84.50	25371.28	21366.05	84.21
Others	70549.18	55342.80	78.45	65151.98	53089.43	81.49
Misc sub Total	1122063.31	1007253.00	89.77	956873.98	849312.13	88.76
Grand Total	1364192.64	1131114.23	82.91	1180164.90	959591.36	81.31

*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	146830.73	112196.98	76.41	138056.65	99513.55	72.08
Marine Cargo	5716.14	5572.82	97.49	6712.01	6486.99	96.65
Marine Hull	11336.00	7285.44	64.27	10856.47	5605.78	51.64
Marine Total	17052.14	12858.26	75.41	17568.48	12092.78	68.83
Motor	92381.35	86596.04	93.74	94349.57	87301.35	92.53
Personal Accident	2271.81	2173.44	95.67	1553.90	1438.75	92.59
Aviation	6755.20	6755.20	100.00	8594.31	8543.37	99.41
Engineering	12292.32	9476.84	77.10	13118.75	9555.94	72.84
Health	7592.53	7592.53	100.00	3361.95	3361.95	100.00
Liability*	15372.22	14600.54	94.98	14010.19	13526.62	96.55
Others	11833.97	10516.38	88.87	14712.68	12935.88	87.92
Misc sub Total	148499.42	137710.97	92.74	149701.34	136663.87	91.29
Grand Total	312382.29	262766.20	84.12	305326.47	248270.20	81.31

*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	321172.14	200832.15	62.53	288514.71	176633.45	61.22
Marine Cargo	38870.97	31703.88	81.56	38734.45	32534.24	83.99
Marine Hull	45969.09	16380.43	35.63	51666.90	12717.87	24.62
Marine Total	84840.06	48084.31	56.68	90401.34	45252.11	50.06
Motor	647685.04	600379.93	92.70	554810.99	509395.96	91.81
Personal Accident	21480.40	20262.13	94.33	18857.84	17504.92	92.83
Aviation	17385.48	4988.76	28.69	18701.88	4013.75	21.46
Engineering	57848.71	34506.85	59.65	60019.09	36199.99	60.31
Health	401771.74	381859.74	95.04	334939.40	317943.40	94.93
Liability*	42008.20	37107.38	88.33	39381.47	34892.68	88.60
Others	82383.15	65859.18	79.94	79864.66	66025.31	82.67
Misc sub Total	1270562.73	1144963.97	90.11	1106575.32	985976.00	89.10
Grand Total	1676574.93	1393880.44	83.14	1485491.37	1207861.56	81.31

*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	5440.70	34873.98	40314.68	1273.71	30572.94	31846.66	6.14	31.08	20.07	1.65	30.72	18.03
Marine Cargo	3483.63	1510.28	4993.91	3198.93	1677.10	4876.04	13.33	27.10	15.75	12.28	25.85	14.99
Marine Hull	-1839.76	1104.32	-735.44	-1410.48	1393.70	-16.78	-20.23	15.16	-4.49	-19.83	24.86	-0.13
Marine Total	1643.87	2614.60	4258.47	1788.45	3070.80	4859.25	4.67	20.33	8.86	5.39	25.39	10.74
Motor	16958.42	19880.04	36838.47	17255.76	20180.63	37436.39	3.30	22.96	6.14	4.09	23.12	7.35
Personal Accident	1970.26	618.89	2589.16	1698.45	398.34	2096.79	10.89	28.48	12.78	10.57	27.69	11.98
Aviation	-353.59	652.77	299.18	-494.72	1264.75	770.03	20.02	9.66	6.00	10.92	14.80	19.18
Engineering	-1059.17	2350.16	1290.99	1485.81	2287.44	3773.25	-4.23	24.80	3.74	5.58	23.94	10.42
Health	25560.10	1859.68	27419.77	20070.86	829.88	20900.74	6.83	24.49	7.18	6.38	24.68	6.57
Liability*	2516.19	3535.01	6051.19	2312.51	3169.78	5482.29	11.18	24.21	16.31	10.82	23.43	15.71
Others	6855.79	2469.38	9325.17	7132.45	2962.74	10095.19	12.39	23.48	14.16	13.43	22.90	15.29
Misc sub Total	52447.99	31365.94	83813.94	49461.12	31093.57	80554.68	5.21	22.78	7.32	5.82	22.75	8.17
Grand Total	59532.56	68854.52	128387.08	52523.28	64737.31	117260.59	5.26	26.20	9.21	5.47	26.08	9.71

*Liability includes Workmen's compensation

vi) Expense of Management to Gross Direct Premium Ratio:

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Gross Direct Premium	1548035.95	1372760.87
b. Expense of Management	306060.01	263034.94
c. Direct Commissions	134188.96	120851.78
Expense of Management to Gross Direct Premium Ratio (%) ((b+c)/a)	28.44	27.96

vii) Expense of Management to Net Written Premium Ratio:

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Net Written Premium	1393880.44	1207861.56
b. Expense of Management	306060.01	263034.94
c. Direct Commissions	134188.96	120851.78
Expense of Management to Net Written Premium Ratio (%) ((b+c)/a)	31.58	31.78

viii) Net Incurred Claims to Net Earned Premium:

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Net Earned Premium	1331529.12	1119687.46
b. Net Incurred Claims	1118303.56	938095.49
Net Incurred Claims to Net Earned Premium Ratio (%) (b/a)	84.02	83.78

ix) Combined Ratio:

Particulars	Current Year			Previous Year			(₹ in Lakhs)
	Indian	Foreign	Global	Indian	Foreign	Global	
a. Net Earned Premium	1071248.69	260280.45	1331529.13	886076.59	233610.87	1119687.46	
b. Net Incurred Claims	988702.08	130101.48	1118803.56	754627.23	-183468.26	938095.49	
c. Net Written Premium	1131114.23	262766.20	1393880.44	959591.36	248270.20	1207861.56	
d. Expense of Management	291236.46	14823.55	306060.01	253832.43	9202.51	263034.94	
e. Net Commission	59532.56	68854.52	128387.08	52523.28	64737.31	117260.59	
Combined Ratio (%) (b/a + (d+e)/c)	123.31	81.83	115.29	117.09	-48.75	115.27	

x) Technical Reserves to net Premium Ratio:

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Net Written Premium	1393880.44	1207861.56
b. Reserves for Unexpired Risks	706014.12	643662.81
c. Premium Deficiency Reserves	0.00	0.00
d. Reserves for Outstanding Claims (Including IMBR & IBNER)	1498845.64	1397297.45
e. Total Technical Reserves (b+c+d)	2204859.76	2040960.26
Technical Reserves to Net Premium Ratio (Times) (e/a)	1.58	1.69



xi) Underwriting Balance Ratio:

Segment	Current Year			Previous Year		
	Net Earned Premium	Underwriting Profit	UW Balance Ratio (Times)	Net Earned Premium	Underwriting Profit	UW Balance Ratio (Times)
Fire	188732.80	-55174.45	-0.29	178462.63	-54768.32	-0.31
Marine Cargo	48386.18	18216.11	0.38	32135.43	5576.66	0.17
Marine Hull	12717.87	-5298.32	-0.42	13966.83	2045.49	0.15
Marine Total	61104.05	12917.79	0.21	46102.26	7622.15	0.17
Motor	569218.69	-83513.11	-0.15	458704.58	-76768.31	-0.17
Personal Accident	18883.53	825.72	0.04	16715.54	1687.45	0.10
Aviation	5882.84	-4942.57	-0.84	3955.62	-12269.90	-3.10
Engineering	35353.42	10690.05	0.30	35574.60	-1811.38	-0.05
Health	349901.57	-104585.85	-0.30	284120.09	-72173.66	-0.25
Liability*	36000.03	6297.10	0.17	30428.28	6019.98	0.20
Others	66452.20	-4236.22	-0.06	65623.86	7278.00	0.11
Misc sub Total	1081692.28	-179464.87	-0.17	895122.57	-148037.82	-0.17
Grand Total	1331529.13	-221721.53	-0.17	1119687.46	-195183.99	-0.17

xii) Operating Profit Ratio:

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Net Earned Premium	1331529.12	1119687.46
b. Underwriting Profit	-221721.53	-195183.99
c. Investment Income - Policy Holders	258948.65	213926.78
d. Operating Profit (b+c)	37227.12	18742.79
Operating Profit Ratio (%) (d/a)	2.80	1.67

xiii) Liquid Assets to Liabilities Ratio:

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Short Term Investments	172518.03	150663.87
b. Short Term Loans	0.00	0.00
c. Cash & Bank Balances	825022.99	896500.37
d. Total Liquid Assets (a+b+c)	997541.02	1047164.24
e. Policy Holders Liabilities	2204859.76	2040960.26
Liquid Assets to Liabilities Ratio (Times) (d/e)	0.45	0.51

xiv) Net Earnings Ratio:

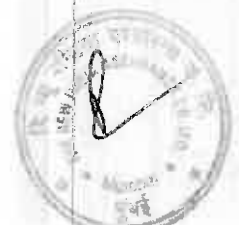
Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Net Premium	1393880.44	1207861.56
b. Profit After Tax	143122.45	108898.14
Net Earnings Ratio (%) (b/a)	10.27	9.02

xv) Return on Net Worth Ratio:

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Net Worth	972223.14	862129.70
b. Profit After Tax	143122.45	108898.14
Return on Net Worth Ratio (%) (b/a)	14.72	12.63

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

Particulars	(₹ in Lakhs)	
	Current Year	Previous Year
a. Available Solvency Margin (ASM)	844767.78	735581.62
b. Required Solvency Margin (RSM)	346853.74	282201.91
ASM to RSM Ratio (Times) (a/b)	2.44	2.61



xvii) NPA Ratio

Particulars	₹ in Lakhs	
	Current Year	Previous Year
a. Total Investment Assets	2481311.81	2101120.92
b. Gross NPA	13484.46	14081.31
c. Net NPA	1235.75	1635.81
Gross NPA Ratio (%)	0.54	0.67
Net NPA Ratio (%)	0.05	0.08

22 Summary of Financial Statements

No	Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
1	Gross Direct Premium	1548035.95	1372760.87	1187348.80	1007387.82	822551.21
2	Net Earned Premium #	1331529.12	1119687.46	945063.91	787458.72	647332.70
3	Income from Investments(Net)@	258948.65	213926.78	186008.87	150670.25	137203.73
4	Other Income (Prem Deficiency)	0.00	3519.41	0.00	0.00	0.00
5	Total Income	1590477.77	1337133.65	1131072.78	938128.97	784536.43
6	Commissions (net incl Brokerage)	128387.08	117260.59	84316.79	89749.84	64867.11
7	Operating Expenses	306060.01	263034.94	237409.00	206580.84	194323.17
8	Net Incurred Claims	1118803.56	938095.49	814307.00	708752.87	652486.82
9	Change in Unexpired Risk Reserves	62351.30	88174.09	82352.71	89662.10	71890.51
10	Operating Profit/Loss	37227.12	18742.63	2524.11	-77958.58	-127140.67
	Non Operating Result					
11	Total Income under Shareholders' A/c	140402.67	110699.00	98598.00	93575.17	86004.05
12	Profit/(Loss) Before Tax	177629.79	129442.41	101122.11	15616.59	-41136.62
13	Provision for Tax	34507.34	20544.00	16756.00	-2315.15	1019.41
14	Net Profit/(Loss) after Tax	143122.45	108898.41	84366.11	17931.74	-42156.03
	Miscellaneous					
15	Policy Holders' Account :					
	Total Funds	2204859.76	2040960.26	1730647.29	1544733.36	1279065.48
	Total Investments	*	*	*	*	*
	Yield on Investments	*	*	*	*	*
16	Shareholders' Account :					
	Total Funds	972223.14	862129.70	773736.33	705761.34	689047.36
	Total Investments	2481311.81	2101120.92	1788255.00	1576929.00	1360463.00
	Yield on Investments	15.68	15.17	14.46	14.68	17.09
17	Paid up Equity Capital	20000.00	20000.00	20000.00	20000.00	20000.00
18	Net Worth	972223.14	862129.70	773736.33	705761.34	689047.36
19	Total Assets	6171962.53	5309531.00	4537552.41	4216274.37	3962127.01
20	Yield on Total Investments(%)	15.68	15.17	14.46	14.68	17.09
21	Earning per Share (₹)	71.56	54.45	4.22	0.90	-2.11
22	Book value per Share(₹)	486.11	431.06	386.87	352.88	344.52
23	Total Dividend	30000.00	22000.00	17000.00	4000.00	0.00
24	Dividend per Share (₹)	15.00	11.00	8.50	2.00	0.00

Net of Re-insurance

@ Net of losses

* Policy Holders' and Share Holder's separate figure not available for Investments and Yield on Investments



Age wise analysis of outstanding claims as on 31.03.2015 (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 lacs)	No	Amount (₹ in lacs)	No	Amount (₹ in lacs)	No	Amount (₹ in lacs)
Fire	700	32550.82	530	58652.13	513	70420.90	339	42684.28
Marine Cargo	1114	3880.09	381	4170.32	427	6728.59	200	2886.96
Marine Hull	30	7707.64	38	3901.39	29	24584.35	38	1824.11
Motor OD	37908	19020.33	5459	6051.07	3764	4735.52	939	1421.41
Motor TP	4640	14051.70	2861	8033.51	5459	14340.88	7961	23148.02
Decline Risk Pool	593	2070.16	416	1489.84	684	2324.76	642	2771.27
Health	41542	25351.69	770	425.38	494	348.41	307	684.52
Liability	508	2186.13	225	835.51	292	2460.50	319	2586.00
Motor TP Non pool	4993	19381.22	3512	14565.69	6425	24805.07	7867	33400.26
Motor TP Pool	847	2738.10	575	1778.17	1812	5122.53	5730	17341.89
Personal Accident	1184	1301.95	252	787.94	203	534.50	56	159.75
Aviation	19	540.61	12	330.10	16	632.57	18	3753.99
Engineering	834	5026.42	327	7570.16	352	7591.61	230	19060.98
Misc - Traditional	1006	7917.88	518	6262.50	395	7671.01	269	4376.38
Rural	1067	472.40	390	153.61	740	365.81	381	511.59
Misc Non-Traditional	502	811.29	254	867.29	242	836.28	118	252.18
Credit Shield	17	639.87	32	530.48	27	297.31	16	241.58
Total	97504	145648.30	16552	116405.08	21874	173800.59	25430	157105.15

Segment	2 Years to 3 Years		3 Years to 5 Years		5 Years and above		Total	
	No	Amount (₹ in lacs)	No	Amount (₹ in lacs)	No	Amount (₹ in lacs)	No	Amount (₹ in lacs)
Fire	164	12174.99	302	12941.41	440	43219.92	2988	272644.44
Marine Cargo	85	2832.04	134	5539.73	156	2101.23	2497	28138.97
Marine Hull	31	1419.88	48	4518.86	52	2312.41	266	46268.65
Motor OD	464	654.34	590	917.10	871	1411.19	49995	34210.97
Motor TP	7126	17247.24	12285	27151.20	60,600	114072.26	100932	218044.81
Decline Risk Pool	79	285.79	0	-	-	-	2414	8941.81
Health	218	204.78	248	140.39	181	184.03	43760	27339.19
Liability	238	2070.80	386	2897.22	489	2078.16	2457	15114.32
Motor TP Non pool	1007	4413.07	0	0.00	-	0.00	23804	96565.30
Motor TP Pool	9555	33142.69	16919	51868.56	9,777	27296.15	45215	139288.09
Personal Accident	33	71.36	63	110.31	75	154.24	1866	3120.05
Aviation	9	357.55	28	3479.40	14	1611.04	116	10705.25
Engineering	40	2513.81	36	597.35	49	536.05	1868	42896.39
Misc - Traditional	87	2023.30	92	5262.92	105	862.99	2472	34376.97
Rural	340	394.10	531	883.01	1,195	1535.02	4644	4315.54
Misc Non-Traditional	61	79.57	173	293.12	298	536.02	1648	3675.75
Credit Shield	4	5.21	1	0.77	5	5.15	102	1720.37
Total	19541	79890.54	31836	116601.35	74,307	197915.87	287044	987366.87

24 Interest, Dividends and Rent is apportioned between Revenue Accounts and Profit and Loss account in proportion to the balance in 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.

25 The details of premium deficiency as required by IRDA Circular no.F&A/CIR/017/May-04 dated 18.05.2004 are furnished below. However, as per IRDA Corrigendum on Master Circular no IRDA/F&A/CIR/FA/126/07/2013 dated 03.07.2013 no provision is required to be made since the Company as a whole on annual basis have no deficiency.



- 25 The details of premium deficiency as required by IRDA Circular no F&A/CIR/017/Rdy-04 dated 18.05.2004 are furnished below. However, as per IRDA Circular no. IRDA/PEA/CIR/FA/116/01/2013 dated 05.07.2013 no provision is required to be made since the Company as a whole on annual basis have no deficiency.

Segment	Relevant Premium	Expected claim cost and related expenses (based on incurred claim ratio of preceding 3 years)	Expected Maintenance cost	Surplus provision in Unearned Premium	Deficiency
Health	190929.87	191584.57	13690.41	-	-14345.10
Aviation	3377.60	3317.83	658.41	-	-598.64
Motor TP	134158.91	169666.40	10209.31	-	-45718.80
Agriculture	3333.08	3365.42	410.22	-	-442.56

Jayashree Jain
Company Secretary

S. M. Rajeswari
Chief Financial Officer

As per our report of even date

K. L. R. Babu
Director

K. Sanath Kumar
Director

G. Srinivasan
Chairman-Cum-Managing Director

As per our report of even date

For JCR & Co.
Firm Reg. No. 105270W
Chartered Accountants

Jashwant Rajal
Partner
Membership Number 012926

Mumbai
April 30, 2015

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

Neeraj Golis
Partner
Membership Number 074392

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

A. K. Gupta
Partner
Membership Number 073515



INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY (ASSETS, LIABILITIES AND SOLVENCY MARGIN) REGULATION, 2000

Name of Insurer : THE NEW INDIA ASSURANCE CO. LTD.

Registration Number : 190

Date of registration : 4-Feb-01

Date of renewal of registration : 1-Apr-15

Classification: Total Business

TABLE II - AVAILABLE SOLVENCY MARGIN AND SOLVENCY RATIO AS AT 31st March 2015

Item [1]	Description [2]	Notes No. [3]	Amount [4] (Rs in 000)
1	Available Assets in Policyholders' Funds:	ASSETS AA	243574106
	Deduct:		
2	Liabilities	FORM HG	220485976
3	Other Liabilities	ANNEXURE-AL	36870352
4	Excess in Policyholders' funds (01 - 02 - 03)		-13782221
5	Available Assets in Shareholders' Funds:	ASSETS AA	115785744
	Deduct:		
6	Other Liabilities	ANNEXURE-AL	17526744
7	Excess in Shareholders' funds (05 - 06)		98258999
8	Total ASM (04)+(07)		84476778
9	Total RSM	FORM KG	34685374
10	Solvency Ratio (Total ASM/ Total RSM)		2.44

Based on our Audit Report

We, the Auditors, certify that the above statements have been prepared in accordance with the Section 64VA of the Insurance Act, 1938, and the amounts mentioned therein are true to the best of our knowledge.

For JCR & Co.

Firm Reg. No.105270W

Chartered Accountants

[Signature]

Jashvant Raval

Partner

Membership Number 01620282



Place: Mumbai

Date : 30th April, 2015

For R. Devendra Kumar & Associates

Firm Reg. No. 114207W

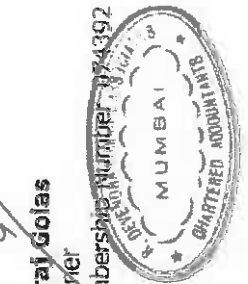
Chartered Accountants

[Signature]

Neeraj Golas

Partner

Membership Number 074392



For A. Bafna & Co.

Firm Reg. No. 003660C

Chartered Accountants

[Signature]

M. K. Gupta

Partner

Membership Number 073515



INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY (ASSETS, LIABILITIES AND SOLVENCY MARGIN) REGULATION, 2000
STATEMENT OF ASSETS AS AT

Name of Insurer: **THE NEW INDIA ASSURANCE CO. LTD.**

Registration Number: **190**

Date of registration: **4-Feb-01**

Date of renewal of registration: **1-Apr-15**

Classification: **Total Business**

(rupees in '000)

ITEM NO.	CATEGORY OF ASSET	Value as at 31st March 2015	Policyholders' funds: Amount (in rupees Thousands) {3}	Shareholders' funds: Amount (in rupees Thousands) {4}
{1}	{2}			
1	Approved Securities	131509038	89136826	42372212
2	Approved Investments	339886096	230374796	109511300
3	Deposits	0	0	0
4	Non-Mandated Investments	4776864	3237758	1539106
5	Other Assets (Refer Annexure AL)	111229714	75391500	35838214
6	Total	587401712	398140880	189260832
7	Fair Value Change Account	228041862	154866774	73475088
8	Adjusted Value of Assets {6} - {7}	359359850	243574106	115785744

Based on our Audit Report

We certify that the statement has been prepared in accordance with Schedule I.

For JCR & Co.

Firm Reg. No. 105270W

Chartered Accountants

Jashvant Ravai
Partner
Membership Number 012926



For R. Devendra Kumar & Associates

Firm Reg. No. 114207W

Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392



For A. Bafna & Co.

Firm Reg. No. 003660C

Chartered Accountants

M. K. Gupta
Partner
Membership Number 073515



For The New India Assurance Co. Ltd.

G. Srinivasan

Chairman-Cum- Managing Director

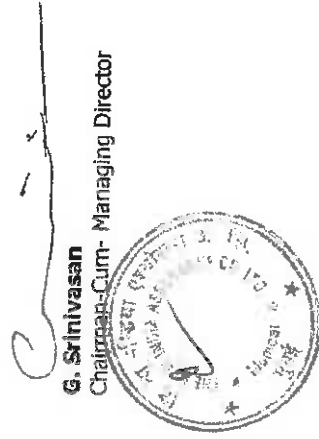


TABLE I - STATEMENT OF LIABILITIES as at 31st March 2015

Name of Insurer : THE NEW INDIA ASSURANCE CO. LTD.

Registration Number : 190
Date of registration : 4-Feb-01
Date of renewal of registration : 1-Apr-15

Classification: Total Business

(Rs. in '000)

Item No (1)	Description (2)	Reserves for unexpired risks (3)	Reserve for Outstanding Claims (4)	IBNR/IBNER Reserves (5)	Total Reserves (6)
1	Fire	10041808	21945346	2600000	34586953
2	Marine Sub class	3223237	3559269	1245799	8028306
	Marine Cargo	1555194	1894273	568858	4058325
	Marine Hull	1838043	1874996	656941	3969980
3	Miscellaneous Sub Class	57336567	60853284	59680886	177870717
	Motor	30018042	46910183	53720335	130849561
	Engineering	1725343	3388965	500000	5624308
	Aviation	337760	1206751	293589	1838100
	Liabilities	1855369	3158436	786083	5799888
	Rural Insurance	438237	364612	0	800849
	Others	3669828	3218368	1501848	8591045
	Health Insurance	19092987	2594968	2879011	24566966
	Total Liabilities	70601412	86357899	63526665	220485976

Based on our Audit Report

We certify that the above statement represents the liabilities of the insurer which have been determined in the manner prescribed in the Insurance Regulatory and Development Authority (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000 and the amounts of such liabilities are fair and reasonable. We also further certify that the above statement includes the IBNR reserves which have been determined by the appointed actuary and his certificate is furnished herein below

For JCR & Co.

Firm Reg. No. 105270W
Chartered Accountants

Jashvant Raval

Partner

Membership Number 012926

For R. Devendra Kumar & Associates

Firm Reg. No. 114207W
Chartered Accountants

Neeraj Solanki

Partner

Membership Number 674892

For A. Bafna & Co.

Firm Reg. No. 003660C
Chartered Accountants

M. N. Gupta

Partner

Membership Number 073515

For The New India Assurance Co. Ltd.

G. Srinivasan

Chairman/Chief-Managing Director

Certificate from the Appointed Actuary

I certify that the IBNR reserves in the statement above represent, in my opinion true and fair amount.

JCR & CO * SINGAPORE
Place: Mumbai
Date: 30th April, 2015



(Sharad Ramnarayanan)
Appointed Actuary

**OTHER LIABILITIES AND ASSETS FOR SOLVENCY MARGIN CALCULATION AS PER
IRDA GUIDELINES AND ITS APPORTIONMENT IN POLICY HOLDERS' & SHARE HOLDERS' FUNDS**

Classification: Total Business

(rupees in '000)

OTHER LIABILITIES Value as at 31st March 2015

ITEM	CATEGORY OF LIABILITY	Value Of Liability	Policyholders' Funds	Shareholders' funds
(1)	(2)		(3)	(4)
1	Provision for Bad and Doubtful Debts Diminution Res	3213309	2177881	1035328
2	Provision for Dividend & Dividend Tax	3800000	2440080	1159820
3	Agent's balances	257385	174456	82929
4	Amounts due to insurance companies carrying on insurance business	3040053	2080548	979505
5	Sundry Creditors	18675878	12658610	6017368
6	Provision for taxation	0	0	0
7	Foreign Exchange Reserve	9274191	6286047	2988144
8	Premium Received in Advance	1011850	685832	326018
9	Deposits held on Reinsurance Accounts	121877	82676	39301
10	Others	15202453	10304223	4898230
	Total	54397096	36870352	17626744

OTHER ASSETS

ITEM	CATEGORY OF ASSETS	Value Of Liability	Policyholders' Funds	Shareholders' funds
(1)	(2)		(3)	(4)
1	TOTAL OF ASSETS (excluding Fair value change)	372706386	252213030	119892355
2	LESS -		0	0
3	Assets taken in form IRDA-ASSETS-AA	248130138	168182606	79947530
4	Furniture Fixtures etc incl Computers	410297	278099	132198
5	Agents' Balances (Not Realisable)*	62824	42582	20242
6	Sundry Debtors (Not Realisable)	0	0	0
7	Deferred Expenses	0	0	0
8	Deferred Tax	1898388	1149812	546576
9	Outstanding Premium (Not Realisable)	0	0	0
10	Others (Reinsurance Balances due for more than 3 months)*	10576027	7168431	3407596
	Others Assets (incl in item 2)	111229714	75391500	35838214

Based on our Audit Report

We certify that the statement has been prepared in accordance with Schedule II.

For JCR & Co.
Firm Reg. No. 105270W
Chartered Accountants

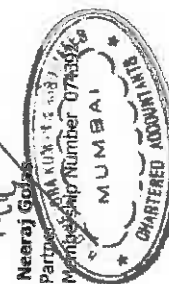
Jashvant Raval
Partner
Membership Number 012926

Place: Mumbai

Date: 30th April, 2015



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



M. K. Gupta
Partner
Membership Number 073515



For The New India Assurance Co. Ltd.

G. Sriprakash
Chairman-Cum- Managing Director

Insurance Regulatory and Development Authority (Assets, Liabilities and Solvency Margin) Regulation, 2000											
Name of the Insurer			:The New India Assurance Company Limited Mumbai			Registration Number 190			Form IRDA - KG		
Classification: Global Business						Date of Registration 04-02-2001			Amount in (000)		
						Date of renewal of registration 01-04-2015					
Item No	Description (Class of Business)	Gross Premium 3	Net Premium 4	Gross Incurred Claims 5	Net Incurred Claims 6	Factored Premium (a)	Factor H	Factor Incurred Claims (b)	RSM 1 7	RSM 2 8	RSM 9
1	2	3	4	5	6	(a)=(3*H)		(b)=(5*H)	20% of (a) or 4 which ever is higher	30% of (b) or 6 which ever is higher	Higher of 7 or 8
1	Fire	3211721	20083215	27438859	14845083	1605861	0.50	13719429	4016643	4453525	4453525
	Marine	848401	4808431	6876520	3216651	463071		3703899	961686	1226644	1267097
2	Cargo	388710	3170388	2656394	1978752	233226	0.60	1593836	634078	593626	634078
3	Hull	459691	1638043	4220126	1237899	229845	0.50	2110063	327609	633019	633019
	Miscellaneous	12705627	114496397	105903523	95165343	9289203		77943475	22899279	28554750	28964753
4	Motor	6476850	60037993	54891417	49617049	4857638	0.75	41168563	12007599	14885115	14885115
5	Engineering	578487	3450685	3053123	2093621	289244	0.50	1526561	690137	628086	690137
6	Aviation	173855	498876	1288967	822343	86927	0.50	644484	99775	246703	246703
7	Liability	420082	3710738	1606240	1588605	315081	0.75	1204680	742148	476581	742148
8	Rural Insurance	100719	872474	994107	895312	70503	0.70	695875	174495	268594	268594
9	Others	937917	7739657	6978789	4867995	656542	0.70	4885152	1547931	1465546	1547931
10	Health Insurance	4017717	38185974	37090880	35280419	3013288	0.75	27818160	7637195	10584126	10584126
	Total	16765749	139388044	140218901	113227076	11358135		95366803	27877609	34234920	34685374

Based on our Audit Report

We, the Auditors, certify that the above statements have been prepared in accordance with the Section 84VA of the Insurance Act, 1938, and the amounts mentioned therein are true to the best of our knowledge

For JCR & Co.

Firm Reg. No. 105270W

Chartered Accountants

For R. Devendra Kumar & Associates

Firm Reg. No. 114207W

Chartered Accountants

For A. Bafna & Co.

Firm Reg. No. 003660C

Chartered Accountants

For The New India Assurance Co. Ltd.

Jashvant Raval

Partner

Membership Number 012926

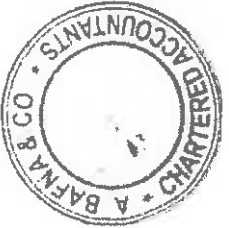
Place: Mumbai

Date: 30th April, 2015

Neeraj Golas

Partner

Membership Number-074392



M. K. Gupta

Partner

Membership Number 073515

