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## Board of Directors



**M. Ramadoss**  
*Chairman-cum-Managing Director*



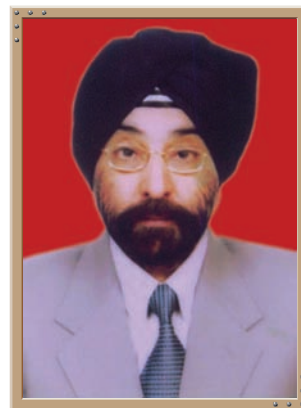
**R. Gopalan**  
IAS, Director (Govt. nominee)



**M. D. Mallya**  
Director



**A. R. Sekar**  
Director, General Manager & Financial Advisor



**I. S. Phukela**  
Director & General Manager

## Corporate Management

## Directors & Management



**M. Ramadoss**  
Chairman-cum-Managing Director



**A. R. Sekar**  
Director, General Manager &  
Financial Advisor



**I. S. Phukela**  
Director & General Manager



**S. B. L. Gour**  
General Manager



**Sanath Kumar**  
General Manager



**R. K. Deka**  
General Manager



**Sadasiv Mishra**  
General Manager



**S. Sethuraman**  
General Manager



**Virander Kumar**  
General Manager



**A. R. Prabhu**  
Appointed Actuary



**K. V. Pathak**  
Chief Vigilance officer



**V. C. Jain**  
Company Secretary



Estbd. 1919

दि न्यू इन्डिया एश्योरन्स कं. लि.  
The New India Assurance Co. Ltd.

**BOARD OF DIRECTORS****CHAIRMAN-CUM-MANAGING DIRECTOR****M. RAMADOSS****DIRECTORS****R. GOPALAN, I.A.S.****M. RAZZACK***(up to 26.08.2010)***SARAT PATTANAYAK***(up to 26.08.2010)***M. D. MALLYA****SANJAY GUPTA***(up to 26.08.2010)***A. R. SEKAR****I. S. PHUKELA****COMMITTEES OF BOARD****AUDIT COMMITTEE****M. RAZZACK - Chairman**  
*(up to 26.08.2010)***M. D. MALLYA****SANJAY GUPTA***(up to 26.08.2010)***A. R. SEKAR****INVESTMENT COMMITTEE****M. RAMADOSS - Chairman****M. D. MALLYA****SANJAY GUPTA***(up to 26.08.2010)***A. R. SEKAR****A. R. PRABHU****REMUNERATION COMMITTEE****R. GOPALAN, I.A.S. - Chairman****M. D. MALLYA****M. RAZZACK***(up to 26.08.2010)***RISK MANAGEMENT COMMITTEE****M. RAMADOSS - Chairman****SANJAY GUPTA***(up to 26.08.2010)***A. R. SEKAR****I. S. PHUKELA****POLICYHOLDERS PROTECTION COMMITTEE****M. RAMADOSS - Chairman****M. RAZZACK***(up to 26.08.2010)***SARAT PATTANAYAK***(up to 26.08.2010)***A. R. SEKAR****I. S. PHUKELA****FINANCIAL ADVISOR****A. R. SEKAR****CHIEF VIGILANCE OFFICER****A. R. SEKAR***(upto 23.11.2010)***K. V. PATHAK***(from 23.11.2010)***APPOINTED ACTUARY****A. R. PRABHU****COMPANY SECRETARY****A. R. SEKAR***(upto 13.08.2010)***V. C. JAIN***(from 13.08.2010)*

## GENERAL MANAGERS

A. R. SEKAR  
S. B. L. GOUR  
R. P. SAMAL \*  
SADASIV MISHRA  
S. SETHURAMAN

I. S. PHUKELA  
K. SANATH KUMAR  
N. TOBDAN \*  
R. K. DEKA  
VASANTHA KRISHNA \*

VIRANDER KUMAR

## DEPUTY GENERAL MANAGERS

N. TOPPO \*  
SUDIP SINHA \*  
NARENDRA KUMAR  
C. J. PHILIP  
V. HARISRINIVAS  
MITA BHATTACHARJEE  
M. D. HUSSAIN  
K. V. KRISHNA  
DINESH WAGHELA

SENTHIL KUMAR  
PRAMOD G. JOSHI \*  
J. P. SHEOKAND  
P. DUTTA  
RAFI AHMED  
ANIL KUMAR  
G. C. SHARMA  
C. K. GOLA  
RAJASEKHARAN \*

A. P. MITTAL \*  
ASWATHANARAYANA \*  
RAKESH KUMAR  
S. SEGAR  
K. SURYA RAO  
S. SIVARAMAN \*  
A. N. JHA  
BALACHANDRA BALASUBRAMANIAM \*  
C. NARAMBUNATHAN

\* On deputation to other companies / foreign offices

## AUDITORS

**CHATURVEDI & SHAH**  
Chartered Accountants

**FORD, RHODES, PARKS & CO.**  
Chartered Accountants

**S. R. GOYAL & CO.**  
Chartered Accountants

## REGISTERED & CORPORATE OFFICE

NEW INDIA ASSURANCE BUILDING  
87, M. G. ROAD, FORT, MUMBAI - 400 001  
[www.newindia.co.in](http://www.newindia.co.in)



## NOTICE OF THE 92<sup>nd</sup> ANNUAL GENERAL MEETING (ADJOURNED)

To,

**ALL SHARE HOLDERS / DIRECTORS / STATUTORY AUDITORS**

**NOTICE** is hereby given that the **92<sup>nd</sup> Annual General Meeting (Adjourned)** of the members of **The New India Assurance Company Limited** will be convened on **Wednesday, the 14<sup>th</sup> day of September 2011 at 4.00 p.m. at the Registered Office of the company at New India Assurance Building, 87, Mahatma Gandhi Road, Fort, Mumbai – 400 001** to transact the following business :-

1. To receive and adopt the Balance Sheet of the company as at 31<sup>st</sup> March 2011, Profit and Loss Account for the year ended 31<sup>st</sup> March 2011, the report of the Board of Directors for the period covered by the Accounts and the auditors' report on the Balance Sheet and Accounts.
2. To seek approval for grant of remuneration as required under Section 224(8) (aa) of Companies (Amendment) Act, 2000, for Central Joint Statutory Auditors at HO and Regional Office / Divisional Office / Hub Auditors for the financial year 2011-12 to be appointed by CAG under Section 619(2) of the Companies Act, 1956 and in addition , payment of out- of -pocket expenses and travelling expenses to the auditors, wherever necessary.

**By Order of the Board**

**V. C. JAIN**  
**COMPANY SECRETARY**

Place : Mumbai

Dated : 9<sup>th</sup> September, 2011

**Note :**

A Member entitled to attend and vote at this meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the company. Proxies, in order to be effective, must be lodged with the company at its registered office at least 48 hours before the commencement of the meeting.

## DIRECTORS' REPORT 2010-11

REPORT OF THE BOARD OF DIRECTORS OF THE NEW INDIA ASSURANCE COMPANY LIMITED UNDER SECTION 217 OF THE COMPANIES ACT, 1956

To The Members :

The Directors hereby present the 92<sup>nd</sup> Annual Report together with the audited statement of accounts and balance sheet of the company for the year ended 31<sup>st</sup> March 2011.

### I. CLASS-WISE PERFORMANCE SUMMARY

(₹ in crore)

			Fire	Marine	Misc	Total
Gross Direct Premium Income	India	CY	1049.26	549.56	5498.32	7097.14
		PY	923.78	474.30	4644.42	6042.50
	(% Growth)	CY	13.58	15.87	18.39	17.45
		PY	19.46	6.32	8.28	9.69
	Outside India	CY	305.19	57.02	766.16	1128.37
		PY	288.14	50.37	718.12	1056.63
	(% Growth)	CY	5.92	13.20	6.69	6.79
		PY	28.03	-23.09	9.40	11.58
	Global	CY	1354.46	606.58	6264.48	8225.51
		PY	1211.92	524.67	5362.55	7099.14
	(% Growth)	CY	11.76	15.61	16.82	15.87
		PY	21.39	2.56	8.43	9.97
Reinsurance Premium Accepted	India	CY	84.06	10.23	697.23	791.52
		PY	68.66	5.40	635.85	709.91
	Outside India	CY	544.95	15.93	114.67	675.55
		PY	420.09	15.78	100.37	536.24
	Global	CY	629.01	26.16	811.90	1467.07
		PY	488.75	21.18	736.22	1246.15
Reinsurance Premium Ceded	India	CY	416.78	317.93	1436.03	2170.74
		PY	411.83	306.95	1346.57	2065.35
	Outside India	CY	238.76	12.27	78.58	329.61
		PY	191.83	9.92	75.53	277.28
	Global	CY	655.54	330.20	1514.61	2500.35
		PY	603.66	316.87	1422.10	2342.63
Net Premium	India	CY	716.54	241.86	4759.52	5717.92
		PY	580.61	172.75	3933.71	4687.07
	(% Growth)	CY	23.41	40.00	20.99	21.99
		PY	11.70	2.66	10.11	10.01
	(% to Gross Premium)	CY	68.29	44.01	86.56	80.57
		PY	62.85	36.42	84.70	77.57
	Outside India	CY	611.38	60.68	802.25	1474.31
		PY	516.40	56.23	742.96	1315.59
	(% Growth)	CY	18.39	7.91	7.98	12.07
		PY	-0.37	-18.95	13.94	6.11
	(% to Gross Premium)	CY	200.33	106.42	104.71	130.66
		PY	179.22	111.63	103.46	124.51



I. CLASS-WISE PERFORMANCE SUMMARY (contd...)

(₹ in crore)

		Fire	Marine	Misc	Total
<b>Global Net Premium</b>	<b>CY</b>	<b>1327.93</b>	<b>302.54</b>	<b>5561.77</b>	<b>7192.23</b>
	<b>PY</b>	<b>1097.01</b>	<b>228.98</b>	<b>4676.67</b>	<b>6002.66</b>
(% Growth)	<b>CY</b>	<b>21.05</b>	<b>32.12</b>	<b>18.93</b>	<b>19.82</b>
	<b>PY</b>	<b>5.67</b>	<b>-3.65</b>	<b>10.70</b>	<b>9.13</b>
(% to Gross Premium)	<b>CY</b>	<b>98.04</b>	<b>49.88</b>	<b>88.78</b>	<b>87.44</b>
	<b>PY</b>	<b>90.52</b>	<b>43.64</b>	<b>87.21</b>	<b>84.55</b>
<b>Addition / Reduction in Un-expired Risks Reserves</b>	<b>CY</b>	<b>115.46</b>	<b>73.54</b>	<b>529.91</b>	<b>718.91</b>
	<b>PY</b>	<b>29.44</b>	<b>-8.67</b>	<b>271.03</b>	<b>291.80</b>
(% to Net Premium)	<b>CY</b>	<b>8.69</b>	<b>24.31</b>	<b>9.53</b>	<b>10.00</b>
	<b>PY</b>	<b>2.68</b>	<b>-3.78</b>	<b>5.80</b>	<b>4.86</b>
<b>Earned Premium</b>	<b>CY</b>	<b>1212.47</b>	<b>229.00</b>	<b>5031.86</b>	<b>6473.33</b>
	<b>PY</b>	<b>1067.58</b>	<b>237.65</b>	<b>4405.64</b>	<b>5710.86</b>
<b>Incurred Claims Net</b>	<b>CY</b>	<b>1275.27</b>	<b>257.64</b>	<b>4994.96</b>	<b>6524.87</b>
	<b>PY</b>	<b>1068.78</b>	<b>190.75</b>	<b>3872.92</b>	<b>5132.45</b>
(% to Earned Premium)	<b>CY</b>	<b>104.93</b>	<b>112.51</b>	<b>99.27</b>	<b>100.80</b>
	<b>PY</b>	<b>100.11</b>	<b>80.27</b>	<b>87.91</b>	<b>89.87</b>
<b>Commission Net</b>	<b>CY</b>	<b>177.80</b>	<b>32.23</b>	<b>438.65</b>	<b>648.68</b>
	<b>PY</b>	<b>128.27</b>	<b>19.07</b>	<b>414.02</b>	<b>561.36</b>
(% to Earned Premium)	<b>CY</b>	<b>14.66</b>	<b>14.07</b>	<b>8.72</b>	<b>10.02</b>
	<b>PY</b>	<b>12.02</b>	<b>8.02</b>	<b>9.40</b>	<b>9.83</b>
<b>Operating Expenses</b>	<b>CY</b>	<b>404.26</b>	<b>96.72</b>	<b>1442.25</b>	<b>1943.23</b>
	<b>PY</b>	<b>359.69</b>	<b>86.59</b>	<b>1290.51</b>	<b>1736.79</b>
(% to Earned Premium)	<b>CY</b>	<b>33.34</b>	<b>42.24</b>	<b>29.66</b>	<b>30.02</b>
	<b>PY</b>	<b>33.69</b>	<b>36.44</b>	<b>29.29</b>	<b>30.41</b>
<b>U/W Results - Profit / (-)Loss</b>	<b>CY</b>	<b>-641.86</b>	<b>-157.59</b>	<b>-1844.00</b>	<b>-2643.45</b>
	<b>PY</b>	<b>-489.16</b>	<b>-58.76</b>	<b>-1171.81</b>	<b>-1719.74</b>
(% to Earned Premium)	<b>CY</b>	<b>-52.94</b>	<b>-68.82</b>	<b>-36.65</b>	<b>-40.84</b>
	<b>PY</b>	<b>-45.82</b>	<b>-24.73</b>	<b>-26.60</b>	<b>-30.11</b>
<b>Investment Income - Policy Holders</b>	<b>CY</b>	<b>254.57</b>	<b>68.60</b>	<b>1048.87</b>	<b>1372.04</b>
	<b>PY</b>	<b>183.44</b>	<b>70.64</b>	<b>962.09</b>	<b>1216.17</b>
<b>Revenue (Policy Holder) Account Surplus/(-) Deficit</b>	<b>CY</b>	<b>-387.29</b>	<b>-88.99</b>	<b>-795.13</b>	<b>-1271.41</b>
	<b>PY</b>	<b>-305.72</b>	<b>11.88</b>	<b>-209.72</b>	<b>-503.57</b>
<b>Investment Income-Share Holders</b>	<b>CY</b>				<b>957.95</b>
	<b>PY</b>				<b>923.52</b>
<b>Other Income less Outgo</b>	<b>CY</b>				<b>-97.91</b>
	<b>PY</b>				<b>-60.66</b>
<b>Profit / (-)Loss before Tax</b>	<b>CY</b>				<b>-411.37</b>
	<b>PY</b>				<b>359.28</b>



**I. CLASS-WISE PERFORMANCE SUMMARY (contd...)**

		(₹ in crore)
<b>Provision for Tax</b>	<b>CY</b>	<b>10.19</b>
	<b>PY</b>	<b>-45.40</b>
<b>Profit / (-)Loss after Tax</b>	<b>CY</b>	<b>-421.56</b>
	<b>PY</b>	<b>404.69</b>
<b>Dividend (Proposed)</b>	<b>CY</b>	<b>0.00</b>
	<b>PY</b>	<b>85.00</b>
<b>Dividend Tax</b>	<b>CY</b>	<b>-0.33</b>
	<b>PY</b>	<b>14.45</b>
<b>Transfer to Reserves</b>	<b>CY</b>	<b>-421.23</b>
	<b>PY</b>	<b>305.24</b>

**II PERFORMANCE REVIEW**

	(₹ in crore)	
	<b>2010-11</b>	<b>2009-10</b>
<b>A GROSS DIRECT PREMIUM (INDIA) :</b>	<b>7097.14</b>	<b>6042.51</b>
Percentage change over previous year :	<b>17.45</b>	<b>9.69</b>
<b>GROSS DIRECT PREMIUM (FOREIGN) :</b>	<b>1128.37</b>	<b>1056.63</b>
Percentage change over previous year :	<b>6.79</b>	<b>11.58</b>

Gross direct premium (GDP) in India has increased from ₹ 6042.51 crore. in 2009-10 to ₹ 7097.14 crore in 2010-11, recording a good growth of 17.45% in 2010-11 as against a moderate 9.69% growth registered during 2009-10.

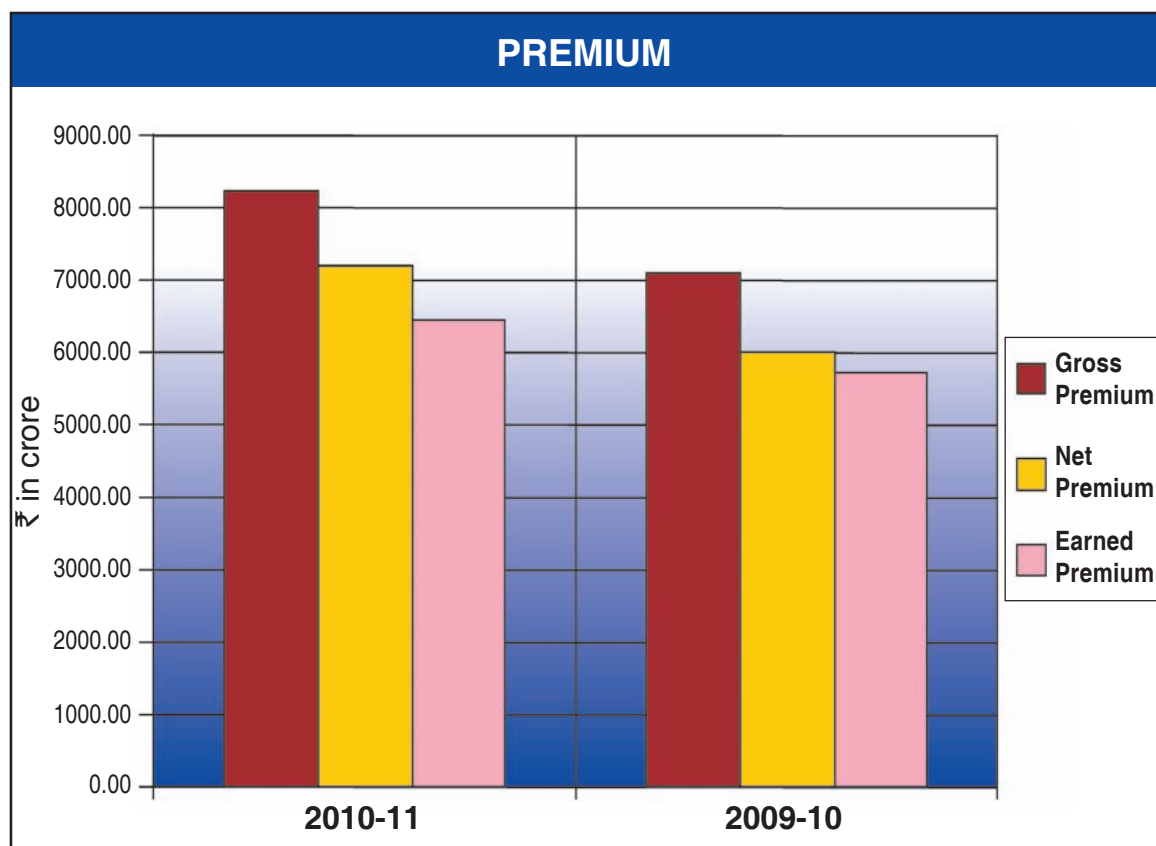
Health continues to drive the growth story and is significantly supported by motor and fire segments. Other segments too have grown during the year. Geographically all the regions have contributed to this good growth. Thus healthy top-line growth successively for two years has enabled the company to continue to be a market leader in India with a global premium of ₹ 8225.51 crore. The company crossed yet another milestone during the year (first company to cross ₹ 8000 crore of premium income).

	(₹ in crore)	
	<b>2010-11</b>	<b>2009-10</b>
<b>B NET PREMIUM</b>	<b>7192.23</b>	<b>6002.66</b>
Percentage change over previous year :	<b>19.82</b>	<b>9.13</b>

The net premium income of the company grew by ₹ 1189.58 crore from ₹ 6002.65 crore to ₹ 7192.23 crore, with a retention ratio of 87.44 % in the current year, against previous year's ratio of 84.55 %.

The retention ratio of the company increased significantly from 84.55% in 2009-10 to 87.44% in 2010-11. As a result the company registered a much higher growth rate of 19.82% in the net premium against 9.13% growth in previous year. Thus the company is the first company to cross ₹ 7000 crore mark of net premium in the Indian insurance market. The net premium in 2010-11 is ₹ 7192.23 crore as against ₹ 6002.66 crore in 2009-10. An absolute growth of ₹ 1189.57 crore.

	(₹ in crore)	
	2010-11	2009-10
<b>C ADDITIONAL UNEXPIRED RISK RESERVE</b>	<b>718.91</b>	<b>291.80</b>
Percentage to net premium	<b>10.00</b>	<b>4.86</b>



	(₹ in crore)	
	2010-11	2009-10
<b>D INCURRED CLAIMS (NET)</b>	<b>6524.87</b>	<b>5132.45</b>
Percentage to earned premium	<b>100.80</b>	<b>89.87</b>

The incurred claims of the company during 2010-11 was ₹ 6524.87 crore against ₹ 5132.45 crore in the previous year. Global net incurred claims have shown an absolute increase of ₹ 1392.42 crore. This significant increase in claim ratio was mainly attributable to additional provisioning for motor pool claims in respect of previous 4 years and major castastrophic losses in foreign operations. The sustained efforts towards claims control/minimization did yield result in health segment where the claims ratio has come down by 10.52% (i.e. from 113.06% in 2009-10 to 102.54% in 2010-11). Similarly the claims ratio in motor OD segment was almost maintained at 67.60% in 2010-11 to 67.68% in the previous year. As stated the additional provisions for motor TP Pool and catastrophic losses were much higher than the improvements noted in health and motor segments resulting into increase in the claims ratio (substantial increase in URR by 422 crore is also a reason for poor incurred claims ratio on earned premium basis)