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The New India Assurance Co. Ltd.

Board of Directors

B. CHAKRABARTI
CHAIRMAN-CUM-MANAGING DIRECTOR

TARUN BAJAJ, IAS

SANJAY GUPTA

T. S. NARAYANASAMI
(Ceased - 20.10.2008)

SARAT PATTANAYAK

M. D. MALLYA
(Appointed - 20.10.2008)

N. S. R. CHANDRAPRASAD
(Ceased - 04.06.2009)

M. RAZZACK

A. R. SEKAR

Audit Committee

TARUN BAJAJ, IAS, (Chairman)

T. S. NARAYANASAMI
(Ceased - 20.10.2008)

M. D. MALLYA
(Appointed - 29.12.2008)

M. RAZZACK

N. S. R. CHANDRAPRASAD
(Ceased - 04.06.2009)

A. R. SEKAR
(Appointed - 17.08.2009)

Investment Committee

B. CHAKRABARTI (Chairman)

TARUN BAJAJ, IAS

T. S. NARAYANASAMI
(Ceased - 20.10.2008)

M. D. MALLYA
(Appointed - 29.12.2008)

SANJAY GUPTA

A. R. SEKAR

A. R. PRABHU

Remuneration Committee

TARUN BAJAJ, IAS, (Chairman)

M. D. MALLYA

M. RAZZACK

Financial Advisor & Company Secretary

A. R. SEKAR

Appointed Actuary

A. R. PRABHU

General Managers

J. K. GUPTA	A. R. SEKAR
I. S. PHUKELA	S. B. L. GOUR
MRS. ASHA NAIR	S. GOPALAKRISHNAN
N. TOBDAN	

Chief Vigilance Officer

MRS. GOPA RAY

Deputy General Managers

P. MANOKARAN	P. G. JOSHI	P. DUTTA
K. G. ARORA	DEKA RAJENDRA KUMAR	S. SEGAR
DR. B. SUNDAR RAMAN*	ASWATHANARAYANA*	V. HARI SRINIVAS
N. TOPPO	M. VASANTHA KRISHNA	AHMED RAFI
P. SENTHILKUMAR*	K. L. R. BABU	K. SURYA RAO
H. P. SINGH	SUJAY BANARJI	S. SIVARAMAN
DR. A. P. MITTAL	NARINDER KUMAR	M. M. HUSSAIN
S. YUGANDHAR RAO*	J. P. SHEOKAND	G. C. SHARMA
V. DHANARAJ	RAKESH KUMAR	A. N. JHA
SUDIP SINHA	C. J. PHILIP	K. V. KRISHNA

* On deputation to other companies

Auditors

SARDA & PAREEK CHARTERED ACCOUNTANTS	KARNAVAT & CO. CHARTERED ACCOUNTANTS	CHATURVEDI & SHAH CHARTERED ACCOUNTANTS
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Registered Office

NEW INDIA ASSURANCE BUILDING,
87, M. G. ROAD, FORT, MUMBAI 400 001.
<http://newindia.co.in>



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The New India Assurance Co. Ltd.

Directors & Management

Chairman-cum-Managing Director



B. CHAKRABARTI

Directors



M. D. MALLYA



TARUN BAJAJ, IAS



M. RAZZACK



S. PATTANAYAK

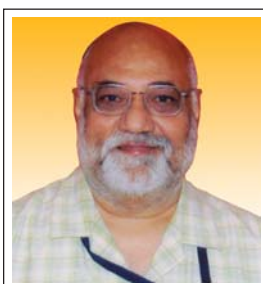


SANJAY GUPTA

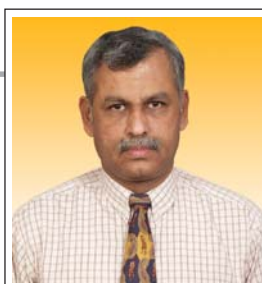


A. R. SEKAR

General Managers



J. K. GUPTA



A. R. SEKAR



I. S. PHUKELA



S. B. L. GOUR



S. GOPALAKRISHNAN



MRS. ASHA NAIR



N. TOBDAN

Chief Vigilance Officer



MRS. GOPA RAY

Appointed Actuary



A. R. PRABHU



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The New India Assurance Co. Ltd.

AGM Notice

NOTICE OF THE 90TH ANNUAL GENERAL MEETING

To :

All Shareholders / Directors / Statutory Auditors

NOTICE is hereby given that the 90th Annual General Meeting of the Members of The New India Assurance Company Limited will be held on Monday the 17th August, 2009 at 2.30 p.m. at the Registered Office of the Company at New India Assurance Bldg., 87, Mahatma Gandhi Road, Fort, Mumbai - 400 001 to transact the following business : -

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March 2009, and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To seek approval for grant of remuneration and other applicable taxes as required under Section 224(8)(aa) of Companies (Amendment) Act, 2000, to Joint Central Auditors at Head Office, Regional Office Auditors and Divisional Office Auditors to be appointed by CAG under Section 619(2) of the Companies Act, 1956 for the year 2009-10.

Place : Mumbai

Date : 06.08.2009

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By order of the Board

(A. R. SEKAR)

DIRECTOR & COMPANY SECRETARY

Note : A Member entitled to attend and vote is entitled to appoint a Proxy and attend and vote instead of himself and the Proxy need not be a Member. Proxies in order to be effective must be lodged with the Company at least 48 hours before the commencement of the Meeting.

DIRECTORS' REPORT 2008-09

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 are pleased to present the 90th Annual Report together with the Audited Statement of Accounts and Balance Sheet of the Company for the year ended 31st March 2009.

I. CLASS-WISE PERFORMANCE SUMMARY

(Rupees in crores)

			Fire	Marine	Misc	Total
Gross Direct Premium Income	India	CY	773.33	446.10	4289.40	5508.83
		PY	743.43	437.28	4096.20	5276.91
	(% Growth)	CY	4.02	2.02	4.72	4.39
		PY	-18.30	36.22	8.19	5.18
	Outside India	CY	225.05	65.49	656.41	946.95
		PY	237.96	57.55	579.04	874.55
	(% Growth)	CY	-5.43	13.80	13.36	8.28
		PY	-6.53	16.38	-5.93	-4.90
	Global	CY	998.38	511.59	4945.81	6455.78
		PY	981.39	494.83	4675.24	6151.46
Reinsurance Premium Accepted	India	CY	59.33	7.44	579.69	646.46
		PY	40.90	7.99	473.10	521.99
	Outside India	CY	450.72	14.32	46.64	511.68
		PY	302.73	7.37	29.68	339.78
	Global	CY	510.05	21.76	626.33	1158.14
		PY	343.63	15.36	502.78	861.77
Reinsurance Premium Ceded	India	CY	312.85	285.26	1296.65	1894.76
		PY	289.19	266.50	1325.56	1881.25
	Outside India	CY	157.43	10.43	50.99	218.85
		PY	148.13	11.92	57.65	217.70
	Global	CY	470.28	295.69	1347.64	2113.61
		PY	437.32	278.42	1383.21	2098.95
Net Premium	India	CY	519.81	168.28	3572.44	4260.53
		PY	495.14	178.77	3243.74	3917.65
	(% Growth)	CY	4.98	-5.87	10.13	8.75
		PY	-11.04	19.38	9.50	6.78
	(% to Gross Premium)	CY	67.22	37.72	83.29	77.34
		PY	66.60	40.88	79.19	74.24
	Outside India	CY	518.34	69.38	652.06	1239.78
		PY	392.56	53.00	551.07	996.63
	(% Growth)	CY	32.04	30.91	18.33	24.40
		PY	-20.91	36.53	0.59	-7.98
	(% to Gross Premium)	CY	230.32	105.94	99.34	130.92
		PY	164.97	92.09	95.17	113.96



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The New India Assurance Co. Ltd.

Directors' Report

CLASS-WISE PERFORMANCE SUMMARY (Contd.....)

(Rupees in crores)

		Fire	Marine	Misc	Total
Global Net Premium	CY	1038.15	237.66	4224.50	5500.31
	PY	887.70	231.77	3794.81	4914.28
(% Growth)	CY	16.95	2.54	11.32	11.93
	PY	-15.69	22.91	8.11	3.42
(% to Gross Premium)	CY	103.98	46.46	85.42	85.20
	PY	90.45	46.84	81.17	79.89
Addition / Reduction in Un-expired Risks Reserves	CY	75.22	5.89	169.90	251.01
	PY	-82.61	43.19	142.26	102.84
(% to Net Premium)	CY	7.25	2.48	4.02	4.56
	PY	-9.31	18.63	3.75	2.09
Earned Premium	CY	962.93	231.77	4054.60	5249.30
	PY	970.31	188.58	3652.55	4811.44
Incurred Claims Net	CY	606.68	277.11	3788.07	4671.86
	PY	601.60	158.24	3417.64	4177.48
(% to Earned Premium)	CY	63.00	119.56	93.43	89.00
	PY	62.00	83.91	93.57	86.82
Commission Net	CY	137.05	14.55	409.23	560.83
	PY	100.23	26.69	332.31	459.23
(% to Earned Premium)	CY	14.23	6.28	10.09	10.68
	PY	10.33	14.15	9.10	9.54
Operating Expenses	CY	293.41	77.82	1085.22	1456.45
	PY	196.11	56.63	766.36	1019.10
(% to Earned Premium)	CY	30.47	33.58	26.77	27.75
	PY	20.21	30.03	20.98	21.18
U/W Results	CY	-74.21	-137.71	-1227.92	-1439.84
	PY	72.37	-52.98	-863.76	-844.37
(% to Earned Premium)	CY	-7.71	-59.42	-30.28	-27.43
	PY	7.46	-28.09	-23.65	-17.55
Investment Income-Policy Holders	CY	133.76	47.61	755.60	936.97
	PY	210.99	60.65	1082.13	1353.77
Revenue (Policy Holder) Account Surplus	CY	59.55	-90.10	-472.32	-502.87
	PY	283.36	7.67	218.37	509.40
Investment Income-Share Holders	CY				749.85
	PY				990.85
Other Income less Outgo	CY				50.24
	PY				21.23
Profit before Tax	CY				297.22
	PY				1521.48

Provision for Tax	CY	73.08
	PY	120.33
Profit after Tax	CY	224.14
	PY	1401.15
Dividend (Proposed)	CY	45.00
	PY	283.00
Dividend Tax	CY	7.65
	PY	48.10
Transfer to Contingency and General Reserves	CY	171.49
	PY	1070.05

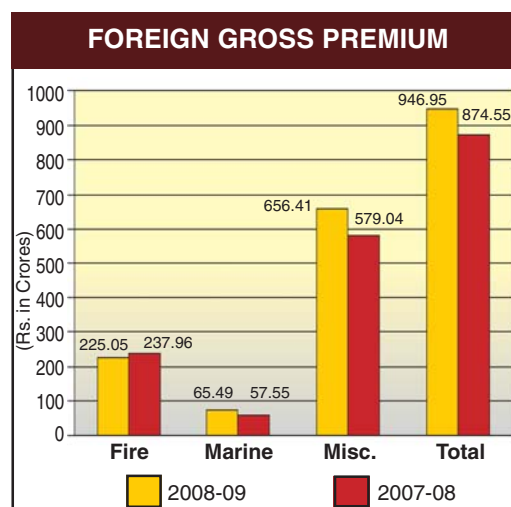
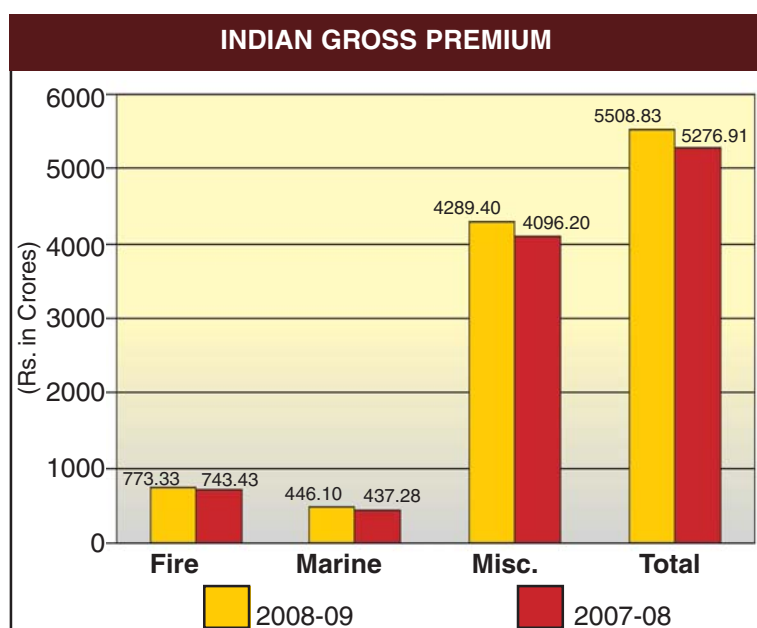
II PERFORMANCE REVIEW

(Rupees in crores)

	2008-09	2007-08
A GROSS DIRECT PREMIUM (INDIA) :	5508.83	5276.91
Percentage Change over previous year :	4.39	5.18
GROSS DIRECT PREMIUM (FOREIGN) :	946.95	874.55
Percentage Change over previous year :	8.28	(-) 4.90
GROSS DIRECT PREMIUM (GLOBAL)	6455.78	6151.46
Percentage over previous year :	4.95	3.62

Gross Direct Premium has increased from Rs.6151.46 crs. (07-08) to Rs. 6455.78 crs.(08-09) registering a growth of 4.95% (08-09) as against 3.62% growth registered during 07-08.

The increase in business in India is contributed largely by Health, Fire and Miscellaneous segments. Foreign operations have performed better and have contributed to the increase in the business during 08-09.





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(Rupees in crores)

B NET PREMIUM (GLOBAL)

2008-09 2007-08

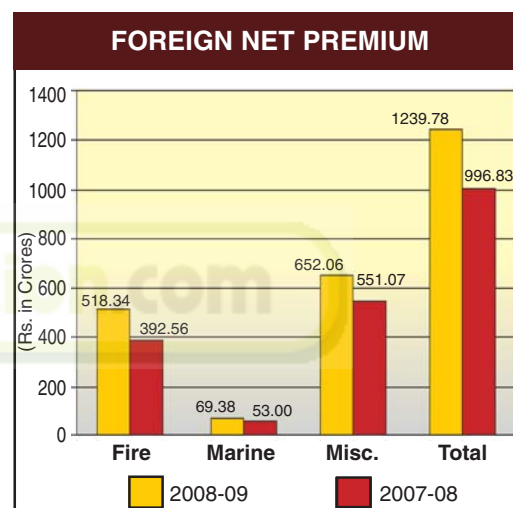
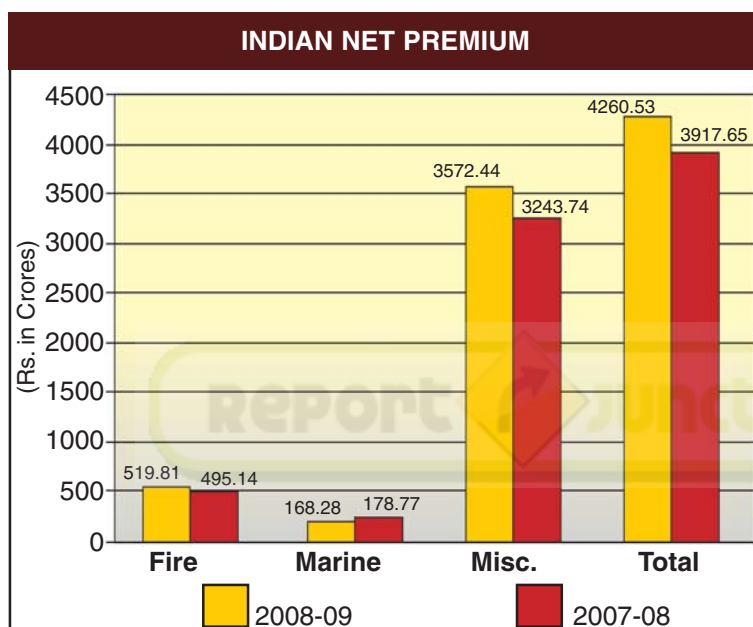
5500.31 4914.28

Percentage over previous year :

11.93 3.42

The Net Premium grew from Rs. 4914.28 crs. (07-08) to Rs.5500.31 crs.(08-09), Retention ratio of the Company has increased from 79.89% to 85.2%.

Apart from higher retention in Miscellaneous class of business, the increase in Net Premium is due to increase in the Motor Pool Accepted premium (Rs.108 crs.), and increase in the Foreign RI Accepted premium (Rs.172 crs.).



(Rupees in crores)

C ADDITIONAL UNEXPIRED RISK RESERVE

2008-09 2007-08

251.01 102.84

Percentage to Net Premium

4.56 2.09

Unexpired Risk Reserve has increased to Rs.2824.08 crs. as at 31.3.09 from Rs. 2573.07 crs. as at 31.3.08.

(Rupees in crores)

D INCURRED CLAIMS

2008-09 2007-08

4671.86 4177.48

Percentage to Net Premium

84.94 85.01

During 08-09, higher incidence of claims occurred in Health, Hull, Cargo and Engineering segments as compared to 07-08. Fire, Motor and Miscellaneous segments have recorded improved claims experience. During 08-09, IBNR provisions increased by Rs. 269 crs. as compared to 07-08.