



Directors Report & Management Discussion & Analysis - 2017-18

To the Members:

Your Directors have immense pleasure in presenting the Ninety Ninth Annual Report of the Company together with the audited statement of accounts and balance sheet for the year ended 31st March, 2018.

1. The snapshot of your Company Standalone financial performance is as below :

(₹ in crores)

			Fire	Marine	Misc	Total
Gross Direct Premium Income	India	CY	2082.57	600.01	20036.19	22718.76
		PY	1824.28	610.03	16680.38	19114.69
	(% Growth)	CY	14.16	-1.64	20.12	18.85
		PY	7.83	-1.22	29.91	26.17
	Outside India	CY	659.74	41.16	1739.65	2440.55
		PY	727.25	54.05	1701.92	2483.22
	(% Growth)	CY	-9.28	-23.86	2.22	-1.72
		PY	-15.21	-5.58	0.18	-5.00
	Global	CY	2742.31	641.16	21775.84	25159.31
		PY	2551.53	664.08	18382.30	21597.92
	(% Growth)	CY	7.48	-3.45	18.46	16.49
		PY	0.08	-1.59	26.43	21.59
Reinsurance Premium Accepted	India	CY	90.72	5.19	137.68	233.59
		PY	87.82	5.15	325.32	418.29
	Outside India	CY	954.47	38.44	168.58	1161.50
		PY	841.04	30.89	132.58	1004.51
Reinsurance Premium Accepted	Global	CY	1045.19	43.63	306.26	1395.08
		PY	928.86	36.04	457.90	1422.80
Reinsurance Premium Ceded	India	CY	1315.11	263.99	3278.38	4857.48
		PY	1018.49	323.47	2425.54	3767.49
	Outside India	CY	512.42	11.29	216.84	740.55
		PY	454.69	11.41	196.21	662.31
Reinsurance Premium Ceded	Global	CY	1827.53	275.28	3495.23	5598.04
		PY	1473.18	334.88	2621.75	4429.80
Global Net Premium		CY	1959.96	409.52	18586.87	20956.35
		PY	2007.21	365.25	16218.46	18590.92
Addition / Reduction in Un-expired Risks Reserves	(% to Net Premium)	CY	-2.38	31.65	1202.48	1231.76
		PY	88.53	-96.78	784.39	776.14
		CY	-0.12	7.73	6.47	5.88
		PY	4.41	-26.50	4.84	4.17
Earned Premium		CY	1962.34	377.87	17384.39	19724.60
		PY	1918.69	462.03	15434.07	17814.78
Incurred Claims Net	(% to Earned Premium)	CY	1510.40	226.16	15159.90	16896.47
		PY	1959.37	349.34	13948.22	16256.93
		CY	76.97	59.85	87.20	85.66
		PY	102.12	75.61	90.37	91.26



(₹ in crores)

		Fire	Marine	Misc	Total	
Commission Net	CY	288.74	56.62	1478.65	1824.01	
	PY	340.60	45.39	937.15	1323.14	
	(% to Net Premium)	CY	14.73	13.83	7.96	8.70
	PY	16.97	12.43	5.78	7.12	
Operating Expenses	CY	330.40	68.95	3129.67	3529.02	
	PY	408.67	74.29	3299.06	3782.02	
	(% to Net Premium)	CY	16.86	16.84	16.84	16.84
	PY	20.36	20.34	20.34	20.34	
U/W Results	CY	-167.20	26.14	-2383.83	-2524.90	
	PY	-789.95	-6.99	-2750.36	-3547.31	
Investment Income-Policy Holders	CY	596.57	84.51	2847.20	3528.28	
	PY	443.35	94.28	2452.73	2990.36	
Revenue (Policy Holder) Account Surplus	CY	429.37	110.65	463.37	1003.38	
	PY	-346.60	87.29	-297.63	-556.95	
Investment Income-Share Holders	CY				1636.58	
	PY				1519.08	
Other Income less Outgo	CY				85.09	
	PY				201.73	
Profit before Tax	CY				2725.05	
	PY				1163.86	
Provision for Tax	CY				524.14	
	PY				155.93	
Profit after Tax	CY				2200.91	
	PY				1007.93	
Interim Dividend	CY				309.00	
	PY				0.00	
Dividend Tax	CY				62.91	
	PY				1.09	
Transfer to Reserves	CY				1829.00	
	PY				1006.84	

DIVIDEND DISTRIBUTION POLICY

Your Directors are pleased to recommend a Final Dividend of ₹ 5 per Equity share of face value of ₹ 5 each. The Company had distributed an Interim Dividend of ₹ 3.75 per Equity share of face value of ₹ 5 each in the month of December 2017. The total outgo including the final dividend of ₹ 5 per Equity share is ₹ 868,59,29,745 including Dividend Distribution Tax of ₹ 147,59,29,745 as against ₹ 373,11,92,240 including Dividend Distribution Tax of ₹ 63,11,92,240.

In terms of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”) the Dividend Distribution Policy of the Company has been hosted on Company’s website and can be viewed at the below mentioned link :

“<https://www.newindia.co.in/cms/c52d520f-6589-4772-bcc8-e214657297ec/Dividend%20DistributionPolicy.pdf?guest=true>”

BONUS

Your Company had announced a Bonus of 1 new Equity Share for every 1 existing Equity Share.



2. PERFORMANCE REVIEW (Global)

(₹ in crores)

		2017-18	2016-17
A	Gross Written Premium (India)	22952	19533
	% change over previous year	17.50	26.09
	Gross Written Premium (Foreign)	3602	3488
	%change over previous year Gross	3.27	-0.97
	Global Premium	26554	23021
	%change over previous year	15.35	21.09
Gross Written Premium (GWP) in India has increased from ₹ 19533 crore in 2016-17 to ₹ 22952 crore in 2017-18 recording a good growth of 17.50 % in 2017-18. The company continues to be the market leader in India and is scaling to new heights. Good growth has been achieved by all the regions. The company crossed ₹ 22000 crore In Indian market itself in 2017-18.			
B	Net Premium	20956.35	18590.92
	% change over previous year	12.72	16.84
The net premium income of the company grew by ₹ 2365 crore from ₹18591 crore to ₹ 20956 crore.			
C	Additional Un-expired Risk Reserves	1231.76	776.14
	% change over previous year	58.70	-18.48
D	Earned Premium	19724.60	17814.78
	% change over previous year	10.72	19.08
E	Incurred Claims (Net)	16896.47	16256.93
	Percentage to earned premium	85.66	91.26
F	Commission (Net)	1824.01	1323.14
	Percentage to Net premium	8.70	7.12
G	Operating Expenses	3529.02	3782.02
	Percentage to Net premium	16.84	20.34
H	Underwriting Results	(2524.90)	(3547.31)
I	Investment Income (Less Provision)		
	Apportioned to policyholders	3528.28	2990.36
	Apportioned to Shareholders	1636.58	1519.08
	Total	5164.86	4509.44
J	Revenue (Policyholders) Account Results	1003.38	-556.95
K	Other Income/Outgo	85.09	201.73
L	Profit Before Tax (PBT)	2725.05	1163.86
M	Profit After Tax (PAT)	2200.91	1007.93
N	Proposed Total Dividend	721.00	310.00
O	Dividend Tax	147.59	63.12



(₹ in crores)

		2017-18	2016-17
P	Paid-up Capital	412.00	200.00
Q	Reserves and Surplus	15277.22	11970.16
R	Total Assets	76626.79	69172.81
S	Investments (at cost)		
T	Solvency Margin		
	i. Required solvency margin under IRDA regulations (Global)	5322.97	5073.53
	ii. Available solvency margin (Global)	13738.87	11134.68
	The company's Global solvency ratio is 2.58 times (PY 2.19 times)		
U	Compliance with Section 40C		
	i. Expenses prescribed under the act	7225.88	6209.59
	ii. Actual expenses	5004.81	4593.88
	iii. Difference	2221.07	1612.70

The Company proposes to transfer an amount of ₹ 1926.68 crore to General Reserve.

3. GENERAL INSURANCE INDUSTRY VIS-À-VIS INDIAN ECONOMY:

Indian economy

The Indian Economy grew at 6.7% in 2017-18. Notably the growth in the third and fourth quarter were 7.2% and 7.7% respectively indicating that the coming year could witness higher growth, and this augurs well for the economy in general and the insurance industry in particular. During this Financial Year, inflation has remained largely stable, and Macro-economic factors continue to be positive though rising crude prices and increasing rates are a cause of concern.

Reforms such as GST, RERA and the push towards a Digital economy, there has been a transitional shift/push from the informal economy to the formal economy. Implementation of bankruptcy code and recapitalisation of banks also augurs well for the financial sector. Taking note of these developments, Moody's raised India's rating from the lowest investment grade of Baa3 to Baa2 and changed the outlook from stable to positive in November 2017. This was India's first upgrade in 14 years.

Indian general insurance industry

The Indian General Insurance Industry grew by 17.44 % in FY18 and the total gross direct premium of the industry reached 1,50,571 crore. Motor, Health and Crop were the primary growth drivers of the industry.

In the year 2017-18, The Government of India has unveiled Ayushman Bharat, the world's largest National Health Protection Scheme, which is expected to cover 10 crore families (approximately 50 Crore beneficiaries), with a defined benefit cover of ₹ 5 lakh per year, per family. This is a great opportunity for the Insurance industry, which is already the recipient of favourable tailwinds from the improving economy. The Health Insurance segment will see transformation in the coming years.

The impending amendment to the Motor Vehicle Act will be a game changer for the industry and can go a long way in speedier settlement of third party claims, reducing the number of road accidents and decreasing the number of uninsured vehicles on the road. The Motor Insurance Service Provider guidelines issued by the regulator will play an important role in rationalising the pay-outs to intermediaries.

Crop insurance business which saw a huge growth after the launch of Pradhan Mantri Fasal Bima Yojana will continue to grow as more and more farmers are brought under the ambit of insurance.

The traditional lines like Fire and Engineering where growth is closely linked to the general performance of the economy are also expected to fare better in the coming years with higher growth of Indian economy and revival of public and private sector investments.

Reforms such as the introduction of the Real Estate Regulation Act, 2016 (RERA) has also ushered in further reform in the Real Estate sector. Title Insurance, which is a multi-billion dollar market globally, has been made mandatory for developers under RERA.

The listing of a few large insurers with many other insurers planning to list has brought in higher corporate Governance standards, and more rational competition in the sector. The GOI has announced the merger of three large PSU insurers followed by listing of the combined entity which can lead to consolidation and reduced competitive intensity in the industry.

Information Technology is an enabler, and disruptive technologies such as Blockchain, Artificial Intelligence and Machine learning will be increasingly used going forward. The Insurance industry will be in the forefront in the use of technology for settlement of claims, detection of fraud, targeted delivery etc. Underwriting pricing and marketing decisions will be increasingly data-driven.

The Indian General Insurance industry continues to be underpenetrated compared to its global peers and there is significant opportunity for growth. The insurance penetration of the Indian non-life insurance sector has been low, keeping around 0.5-0.8 percent range in the last 10 years. The non-life insurance



penetration in the year 2016 has improved a bit to .77 from .72 percent in the year 2015. However, non-life insurance density has gone up from USD 2.4 in 2001 to USD 13.2 in 2016. Non-traditional lines like home owners' insurance, shop-keepers insurance and various kinds of liability insurance have huge untapped potential and can provide the next leg of growth.

The Government's vision of a "New India" is expected to create a transformative push over the next few years. The Insurance Industry as a whole is expected to be a major contributor towards this achievement, and the General Insurance industry is in a position to deliver unique solutions and benefit to all stakeholders.

4. OVERVIEW OF COMPANY'S OPERATIONS

INDIAN OPERATIONS:

Gross direct premium in India has increased from ₹ 19,114.69 crores in 2016-17 to ₹ 22,718.76 crores in 2017-18 recording a growth of 18.85 % during 2017-18. The growth is observed in all geographical segments as well as all classes of business

INDIAN OPERATIONAL RESULTS

Sr. No	PARTICULARS	2017-18		2016-17	
		(₹ in Crore)	(%)	(₹ in Crore)	(%)
1	Gross Direct premium	22718.76	18.85	19114.85	26.17
2	Net premium	18475.96	14.84	16,088.54	21.68
3	Increase in unexpired risk reserve	1246.17		877.76	
4	Net earned premium	17229.79		15,210.78	
5	Commission	1203.10	6.51	699.54	4.35
6	Incurred claims	15247.75	82.53	14,487.46	90.05
7	Management expenses	3341.68	18.09	3,592.84	22.33
8	Other income (net of outgo)	87.66	0.47	192.61	1.20
9	Investment income	5036.22	27.26	4,373.81	27.18

Note: Percentage shown in sr. no. 1 & 2 indicates the growth over previous year and the percentage shown in sr. no. . 5 to 9 is percentage to 'Net Premium.'

B. FOREIGN OPERATIONS:

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

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

- > United Kingdom
- > Japan
- > Hong Kong
- > Philippines
- > Thailand
- > Australia
- > New Zealand
- > Mauritius
- > Fiji
- > Dubai
- > Abu Dhabi
- > Bahrain

- > Kuwait
- > Oman
- > Aruba
- > Curacao.

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

The Company's foreign operations saw a gross written premium turnover in rupee equivalent of ₹ 3203 crores and a Net premium of ₹ 2480 crore in 2017-18. The foreign operations recorded an underwriting profit of ₹ 37.84 crore and profit before tax was ₹ 163.91 crore..

New India Assurance has taken a license to operate in DIFC, Dubai through a Regional office.

OVERSEAS OPERATIONAL RESULTS

Sr. No.	Particulars	2017-18		2016-17	
		(₹ in Crore)	(%)	(₹ in Crore)	(%)
1	Gross premium (Gross Direct plus Accepted)	3202.89	1.22	3,164.00	-1.79
2	Net premium	2480.40	-0.88	2,502.53	-7.47
3	Increase in unexpired risk reserve	-14.41	NA	-101.62	NA
4	Net Earned Premium	2494.81	NA	2,604.15	NA
5	Incurred claims	1648.72	66.47	1,769.47	70.71
6	Commission	620.91	25.03	623.60	24.92
7	Expenses of management	187.34	7.55	189.18	7.56
8	Other outgo	-2.57	-0.10	9.12	0.36
9	Investment income	128.64	5.19	135.63	5.42

Note: Percentage shown in Sr. No. 1 & 2 indicates the growth over previous year and percentage shown in Sr. no. 5 to 9 is percentage to net premium.

5. ORGANISATION STRUCTURE
Domestic

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

The Company has set up new 70 Micro Offices to cater to the general insurance needs of unexplored rural areas and unrepresented urban areas and upgraded 19 micro offices to Branch Offices and 3 branch offices to Divisional offices in this financial year. As on 31st March 2018, the Company has a network of 31 Regional Offices, 7 Large Corporate Offices, 1 Auto Hub, 1 IFSC Insurance, 460 Divisional Offices, 603 Branch Offices, 27 Direct Agent Branches and 1341 Micro Offices, totaling 2472 offices.

Foreign

The Company operates in 28 countries

❖ REINSURANCE

The year 2017-18 witnessed several devastating Natural catastrophic events in the United States and the Caribbean Islands though there were no major natural calamities in India. Our foreign branches in Aruba, Curacao and UK were impacted by claims arising from Hurricane Irma which hit the island of St. Maarten in September 2017. Similarly, our subsidiary New India T&T was also impacted by the claims from Hurricane Maria and Irma. Most of these losses are recoverable from our Reinsurance arrangements.

Renewal of all proportional and non-proportional treaties of Indian as well as foreign offices was completed as per schedule and placements made with well rated securities. The new line of crop Insurance business of Pradhan Mantri Fasal Bima Yojana is protected with a new Quota Share and Stoploss Treaty from this year.

Our International Financial Service Centre Office (IIO) at GIFT city Gandhinagar completed one full year of operations with profitable results.

❖ TECHNO MARKETING

Techno Marketing Department of the company is a specialized cell which operates from the Corporate Office. The department caters to the requirements of corporate clients dealing with Large Projects and operational Large Risks.

The company continued to maintain its lead position in the Large Risk Segment which is an indication of its superior technical expertise, market reputation and underwriting capacity. The Company has been able to design bespoke covers to suit the requirements of corporate clients with the support of National and international Reinsurers.

The department arranged Risk Engineering and Risk Inspection for some of the risks as a value added service. These services are useful for PML Assessment and for imparting loss minimization measures to the Insured.

The company aims to maintain its leadership in this area in the coming years as well.

❖ FIRE AND ENGINEERING INSURANCE

With Economy growing at a faster pace, Property Insurance Segment remains one of the most promising sectors in General Insurance Industry. With 2082.56 Cr premium in Fire & 445.06 Cr in Engineering, your company has once again retained the leadership position in property Insurance in Indian General Insurance market. Growing at 14.16% in LOB Fire we have gained new business worth 258.28 Cr & are going hand in hand with the Industry. Our aim has been to implement prudent underwriting guidelines to get quality business. Our efforts have been fruitful as the ICR has come down significantly in both Fire & Engineering adding to financial strength of the company. Apart from that we have continued our efforts in improving the pricing scheme, underwriting & claims management through proper coordination with operating offices by conducting Underwriting & claim workshops & regular VCs to educate our technical team

Your Company has emphasized on quick disposal of Claims via proper utilization of resources & efficient claims management which has helped in reducing the overall cost of claims & in improving the profitability of the company. We are focused to maintain our leadership position in the segment in the upcoming year(s) by proactive approach, prudent underwriting, efficient claims management, technical competence & innovative techniques.

❖ HEALTH INSURANCE

Your company maintains its leadership position in Health Insurance this year too with an annual growth of 17.6% amounting to ₹ 7008 Crores vis a vis ₹ 5960 Crores last fiscal.



This year, consistent efforts were made to contain the ICR in Health Department and the desired results were achieved. There has been good spurt of growth at the Retail segment @19% in this financial year.

Your Company has pioneered a prestigious product by name "The New India Global Mediclaim policy" covering treatment abroad at World Leading Medical Centres Globally. Some of the centres offered for treatment include John Hopkins University Medical Centre, Memorial Sloan Kettering Cancer Centre (New York), Kings College Hospital (London) and Mount Elizabeth Hospital (Singapore).

We have broadened our existing New India Mediclaim 2012 policy too with several attractive features and optional covers. We have introduced restoration of sum insured free of cost under this policy. Our New India Floater Mediclaim policy too has been enhanced with sum insured from a maximum of ₹ 8 lacs to ₹ 15 lacs.

Recruitment of another batch of 26 doctors is in process for developing in-house expertise in Health Department.

Constant audit and visit to the hospitals/TPAs for surprise check is being carried out which has resulted in containing the ICR.

Regular training and briefing sessions are carried out for updating the marketing force as well as the executives for better service and growth in the Health Vertical.

❖ MARINE CARGO AND HULL INSURANCE

Your Company continues to maintain its leadership in Marine Line of Business with highest market share in Cargo as well as Hull in the Indian Market. The Company has approximately 36.4 % of market share in Hull and 15.5 % in Cargo Business. Company achieved a Marine Cargo Domestic premium of ₹ 350 Crores as against ₹ 342 Crores in the previous year. Despite a very soft market and reduction in premium rates at renewal, your Company has registered a growth of 2.38%. For the first time in Indian market, we have launched P&I cover for coastal vessels of Indian Ship owners. Such business is being underwritten by foreign market due to non-availability of the product in India. We hope to retain this business within Indian market. Hull business has declined because of market conditions but with increase in oil prices and revival of energy business, prospects are good for the next year. Marine business generated by Foreign Offices is ₹ 33.50 Crore in Cargo and ₹ 7.60 Crores in Hull. The total Marine Business globally is ₹ 641 Crores. As a leader in Marine Hull & Cargo Insurance, we are committed to deliver the best service to its clients and therefore, number of initiatives are being undertaken for effective e-marine solution for issuance of Certificates/Policies through Customer/Intermediary Portals and also for claims handling.

Despite reduction in premium rates, Marine Cargo Portfolio remains profitable. ICR for Marine Cargo Business was 51% in the year 2017-18. The efforts made towards claims management, risk management, careful underwriting and recovery has contributed to sustained profitability of the Portfolio. A Centralized Recovery System has been deployed on pilot basis for selected Offices with the intention of better handling of marine recoveries under subrogation.

Focus area for the next year will be towards faster disposal of claims to touch higher levels of customer satisfaction and also boost growth rates in marine line of business using IT infrastructure and innovation and maintaining balanced and healthy portfolio in marine department.

❖ AVIATION INSURANCE

Your Company continues to be the lead insurer for India's National Carrier Air India, Indigo Airlines, Go Air and Vistara. During the year 2017-18, we have been chosen as lead insurer for Spice Jet and increased our participation in Jet Air. New India has also been a preferred Insurer for HAL, the Aircraft Manufacturer and R&D organization, Indira Gandhi National Flying Academy, the flagship training academy of India and various other General Aviation Business.

With the advent of Government sponsored Regional Connectivity scheme, your Company has been the fore-runner in the two airlines that have taken off – Air odisha and Air Deccan. A few more are in the pipe line.

Your Company continues to be a preferred re-insurer in international market extending its support to around 170 Aviation Reinsurance Programs across the Globe, including Lufthansa, Singapore Airlines, Emirates Airways. Your Company has provided capacity as Quote Share Reinsurer to GIC Re London for their participation in Altitude Risk Partners Pool for enhancing its penetration in the Global Aviation Market.

❖ MOTOR

AUTO TIE-UP

Auto Tie-up has been a rich source of new motor vehicle business and New India has been able to tie up with motor dealers across India through partnership with major brands in the Indian market such as, Maruti Suzuki, Tata Motors, Hyundai, Ford, Royal Enfield, Honda Motorcycles and Scooters, Ashok Leyland, Volvo-Eicher, Mahindra & Mahindra, Yamaha etc. . This network thru centralized tie up has enabled us to source business through more than 4350 dealers. Besides more than 1550 dealers (other than OEM Tie ups) of private Cars, commercial Vehicles and two wheelers have tied up with New India offices directly for sale of motor insurance policies to their customers. Auto tie up has empowered New India to create a brand image of leading motor insurer in India who has been delivering value added services like; instant delivery of insurance policies & endorsements, seamless settlement of claim, TAT based delivery of services & cashless facility at dealer points. This has been possible through intervention of IT enabling our partner dealers to execute all such activities on portals available at each dealer point.

With the recognition of role of motor dealers as MISP – a recognized intermediary of motor insurance business – the auto tie up business has moved into a new era of regulated marketing of motor insurance through the dealers, in which New India has not only been able to migrate quickly and grow steadily in the new set.

The premium achieved by Auto Tie up Department in financial year 2017-18 is ₹ 2627.64 Crores as against premium of ₹ 2380.23 Crores in 2016-17. Along with increase in volume of business we have also been continuously focusing on control of ICR to create a comfortable business surplus.



❖ Motor Own Damage (O.D.)

Our company is maintaining number one position in Motor segment for the last four years. Overall Motor business grew at the rate of 19.6% during 2017-18 with Motor OD premium showing an accretion of 8.35% and Motor third party premium at 27.42% which is at par with industry growth rate

Motor OD business has shown profitable growth during the year and same trend is expected to continue in the coming years. Claim settlement in Motor OD segment has shown improvement which is at 94.2% as against target of 92%. Motor OD incurred claim ratio has come down considerably compared with earlier years. There are 34 claims hub which handle the claims of over 800 operating offices and company has tied up with over 1200 reputed motor workshop/garages to provide cashless service to retail customers.

❖ Motor TP Claims and Motor TP Claims Hubs

Your Company focuses on improving the performance in TP claims handling. This has resulted into reduction of OS claims from 1,56,490 in previous year to 1,47,997 at the end of FY 2017-18. Further, overall Claims Disposal Ratio increased to 36.99%, compared to 34% in preceding year

Keeping the current judicial view of the Hon'ble Supreme Court and High Courts in mind, the company has adopted the strategy to minimize the further litigation and thus number of claims under appeal or SLP before the Higher Courts have been reduced. The company targeted to settle the maximum number of fit claims by way of compromise and settled nearly 37% of total settled claims by way of compromise through Lok Adalat and other Conciliatory Mechanisms.

Information Technology aspect had remained the major area of focus during this year and considerable modifications were carried out in the system, which shall enable the user to monitor and manage the claims effectively.

❖ Solatium Fund

The Company is the Fund Manager of Solatium Fund for motor 'hit and run' accident cases. The fund balance as at 31st March 2018 is ₹ 80 crore backed up by earmarked short term investments. Both the fund and the investments are included in the financials of the Company as at 31st March 2018. The Solatium Fund will be maintained separately and not clubbed in the books of the Company from 2018-19 onwards

❖ MISCELLANEOUS AND LIABILITY INSURANCE

Your Company continues to be market leader in Liability Insurance for the eighth consecutive year. This year we achieved a domestic premium of ₹ 371.57 crores (gross) in the Liability line of business. Our milestones in Liability this year include being the first Insurer in the Indian Market to file Title Insurance. Your Company is also the preferred Insurance partners in the new emerging lines of Cyber Liability Insurance for Banks & Financial Institutions. We have forayed into issuing a Professional Indemnity Cover to cover Insolvency Resolution Practitioners as there is Personal Liability under Section 233 of the Insolvency and Bankruptcy Code 2016. We are also the proud Insurers of the prestigious Mumbai Trans harbour Project. The Miscellaneous Department continues to provide innovative corporate and retail products. The Pradhan Mantri Kaushal

vikas Yojanais a Special Group Personal Accident Scheme we have created for the technology trainees of the National Skill Development Corporation of India for a 3 years period.

❖ BROKERS AND BANCASSURANCE :

Bancassurance Channel is a business model which offers immense opportunities of business in the current scenario. We have Bancassurance partnership with 28 Banks which includes 5 PSU Banks i.e. Corporation Bank, Union Bank of India, Bank of India, Canara Bank and Punjab National Bank. Recently we also Tied up with Bandhan Bank and talks have been initiated with SIDBI as well as DBS Bank for Bancassurance Tie-Up.

Bancassurance channel registered a growth of 34% in 2017-18. We have provided Portal access to several Banks and also devised co-branded policies as per the Bank's requirement. The Bank Branches have also been mapped with our Offices throughout the country so that the channel potential can be fully utilized.

Your Company recognized the importance of the Broker channel at the early stages and has been conducting Technical Workshops for Brokers in different parts of the country to familiarize the Brokers with the latest Products of the Company. We have specialized offices across the country to provide service to Brokers. This channel has grown at 23% in this financial year and contributing 27% of the total business.

❖ AGENCY

The Agency channel constitutes largest share to the Company's Premium income and continues to be the most significant channel of business. Continuous efforts were made during the year for training and empowering Agents for better functioning and enhancing productivity of agents amidst increasingly stiffer competition in retail market. During the year, 9519 new agents were recruited, and various Reward schemes were implemented for agents in Motor, retail Health and Miscellaneous business. The Premium procured by Individual agents was ₹ 9602 Crores with growth of 16.85 % & ₹ 119 Crores through Corporate Agents other than Banks with 133% growth. All Operating offices have an Agent Manager whose role is to recruit and train agents and provide them sales and service support. During the year, 200 new Agent Managers were imparted training to better perform their role in nurturing and supporting agents and enhance their performance. Programs were also organized for CMD club agents and champion Agent Managers for enhancing their skills. Agent portal & App were improved further to make them more user friendly to enhance penetration and thrust in retail market. Constant encouragement and motivation supported by training significantly enhanced usage of agent portal and App. During the year, Portal access was enhanced to over 22700 agents and they issued 29.77 Lac policies generating Premium of Rupees 1710 Crores.

❖ RURAL AND SOCIAL SECTOR AND MICRO INSURANCE

Your Company is the pioneer Non-Life Insurance Company in insuring all types of assets and lives under Rural and Social Sector in the country. Company has been a major player in the Rural & Social Sector Insurance Business in India with a variety of products which suits the requirements of our rural mass. Insurance covers provided by the Company are need-



based/tailor made for the benefit of Rural and Social Sectors and Rural Insurance activities are village specific. We have participated in Centrally Sponsored Cattle/Livestock Insurance Schemes, Corporate Dairy schemes and State & District Level schemes, special Insurance Schemes like Drip Irrigation Policy, Agriculture Solar Pumpset Insurance Policy, KCC Master Policy etc. Your Company is empanelled by the Government of India, for implementation of our Hon. Prime Minister's Ambitious Insurance Programme for Indian Farmers i.e. PMFBY, Restructured Weather Based Crop Insurance Scheme (RWBCIS) & Unified Package Insurance Scheme (UPIS) since Kharif 2016. We are participating in the Tender process in various State Governments all over India. Your Company has successfully implemented PMFBY during Kharif 2017 in Tamil Nadu, Rajasthan, Gujarat & Uttar Pradesh & Rabi 2017-18 in Tamil Nadu & Uttar Pradesh.

❖ **RSBY & GOVERNMENT BUSINESS**

Social Security and healthcare assurance for all has been the motto of Government of India, and it has taken various steps in this regard. RSBY was launched in early 2008 and was initially designed to target only the Below Poverty Line (BPL) households but has been expanded to cover other defined categories of unorganised workers too.

Your Company is implementing RSBY schemes in various states of India. The company is also implementing various other government sponsored mass schemes like 'Bhama Shah Swasthya Bima Yojna' in Rajasthan, Megha Health Insurance Scheme in Meghalaya and so on. In Both the above-mentioned mass schemes, New India is the sole insurer for third year in a row. The 'RuPay Insurance program, providing Personal Accident cover to more than 43 Crore RuPay Cardholders, has been successfully implemented by your Company

❖ **PRADHAN MANTRI SURAKSHA BIMA YOJNA**

Pradhan Mantri Suraksha Bima Yojana (PMSBY) is a flagship scheme under the umbrella of Pradhan Mantri Jan Dhan Yojana (PMJDY). To achieve the motto of financial inclusion of Government of India, your Company has conducted various enrolment and awareness campaigns for PMSBY. We have tied-up with more than 200 banks for PMSBY and have settled more than 4600 claims keeping the disposal ratio consistently above 95%.

Your Company will continue to exhibit consistent growth with the help of such giant schemes.

❖ **ALTERNATE BUSINESS CHANNEL DEPARTMENT**

In line with the developments in the market your company has forayed into the online space and has been making rapid strides in this segment. Web aggregators who are predominantly changing the online landscape are in partnership with us along with the other channel partners.

Simplified products are being put up for sale to ensure ease of purchase. During the current year we have forayed into social media arena to enhance our visibility as well as to use this avenue to enhance our sales.

We are confident during the years ahead our sales through online channel will show a significant increase keeping in view the current market developments.

❖ **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

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

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

Some of the notable CSR projects where in your Company participated were with organizations like Swachh Bharat Mission, Kedarnath Utthan Charitable Trust, Vivekananda Rock Memorial and Vivekananda Kendra in North East, Akshaya Patra in Uttar Pradesh, Science and Technology Park in Pune, Apparel Made-ups & Home Furnishing Sector Skill Council for Skill India in Himachal Pradesh, Aim For Seva in Orissa, Disabled Welfare Trust of India in Gujarat, Ramakrishna Mission Ashram's Solar System Installation in Chennai.

❖ **CUSTOMER CARE**

Customer Care Department is functioning well at Company's Corporate Office as well as all Regional Offices. Dedicated Customer Care Nodal Officers are working in all the operating offices throughout the country for extending quality service to the Policyholders and the prospects. Online information on the Company's products are provided in the website <https://newindia.co.in> for the benefit of the public.

The Company's Call Centre established in 2010 forms an integral part of Customer Relationship Management Activity. The toll free number of the company 1800-209-1415 is available to the customer 24*7 for inquiries of various Products, Claims and Grievances, both in Hindi and English. Service Requests for further follow up are replied/resolved by company's operating offices. This initiative and endeavor of 'Customer Service' is a key and vital element of our business strategy for a continuous and progressive growth in the General Insurance Industry, with value added products matching the Customers' needs and requirements.

Grievances received orally, over telephone or in writing are registered by us in the CRM Module. Customers can register their grievance through our website <https://www.newindia.co.in/portal/#/home>. Customer grievances received by IRDA gets registered in IGMS. Our CRM Module is integrated with IGMS on real time basis. We also receive customer grievances registered in Centralized Public Grievance Redress and Monitoring System (CPGRAMS) portal and National Consumer Helpline portal. We resolve the grievances, intimate the customers and post the resolution through the portal.



The Grievance Redressal position for the period 1.4.2017 to 31.3.2018 is as under :

Outstanding grievances as on 31/03/2017	38
Registered (From 01.04.2017 to 31.03.2018)	4864
Resolved (From 01.04.2017 to 31.03.2018)	4902
Outstanding as on 31.03.2018	0
Disposal Ratio	100%

❖ ENTERPRISE RISK MANAGEMENT

Enterprise Risk Management department (ERM) is an emerging department established at Company's corporate office with its wings at all Regional Offices and Large Corporate Broker Offices represented by ERM Nodal Officers. Efforts are in full swing to complete the ERM Project by implementing a suitable ERM software system.

1. The Risk Appetite statement (RAS) of our company identifies key risk obstructing our strategic objectives and helps the company to maintain a tolerance/threshold limit for acceptance of such risk.
2. The TOP RISK register focusing on 10 key risk areas of our company includes a range of Key Risk indicators helps to measure the intensity of risk and suggest taking appropriate risk mitigation measures.
3. The RAS and the TOP RISK register have been approved by the Risk Management committee (RMC).
4. Incident Reporting (Operational loss reporting) circular was issued to all the HO departments and RO's/LCBO's to report six types of incidences that cater to operational losses.

To create and spread awareness on the domain ERM, various initiatives like ERM Desktop wallpapers, ERM Quiz and ERM Mailers were held. ERM refresher training and Cyber risk training was held for Chief Managers and ERM SPOCS to embrace them continuously on the risk domain.

Business Continuity Management - Establishing Business Continuity Management process is a sub-part of ERM dept that focuses on mitigating the business continuity risk during exigencies.

1. Following the mandate of RMC & based on instruction of ERM Dept, all the RO's & LCBO's have conducted Fire Safety Audit of their offices to ensure safety of employees, systems and premises.
2. Recovery Procedure Document, a single pager guide during the emergency times, have been implemented across all the RO's & LCBO's. The RPD implementation at all other offices is under progress.
3. Evacuation Mock drill was conducted in one of the Mumbai RO on a pilot basis to test the readiness of the said premises to respond in case of emergency. Similar exercise was replicated in few other RO's. BCP training was provided to Fire Prevention Officers nominated at HO.

The following functions were also performed under ERM framework: -

- The Revised Corporate Anti-Fraud Policy 2018 was approved by Board and adopted by our company recently.

- The Outsourcing activities of our company for the FY 2017-18 have been reported as per Outsourcing Guidelines, 2017 to IRDAI in the specified format.
- Information and Cyber Security is also a focal point in Risk management and is being addressed by various measures at people, procedures and technology levels in coordination with IT dept.
- The Chief Risk Officer reports to the Risk Management Committee of the Board periodically to update on the progress of the ERM departmental activities.

❖ CLAIMS MANAGEMENT

Your Company carried out various activities throughout the year as under :

1. Regular monitoring right from the beginning of the financial year was done by targeting settlement of claims based on the age-wise analysis.
2. For claims that were falling in more than one year category, special focus was done
3. To equip our claims processing officials with technical knowledge and to improve their customer care skills, training programmes were held at the College of Insurance. Total six batches of training were held and 150 participants were imparted training.

	Non Suit	Suit	Total
Number of Claims OS as on 01.04.2017	137150	167205	304355
Number of Claims Intimated during 2017-18	4576487	296254	4872741
Number of Claims Settled during 2017-18	4587425	305670	4893095
Number of Claims OS as on 31.03.2018	126212	157789	284001
	Non Suit	Suit	Total
Claims OS for less than 3 months	106642	7651	114293
Claims OS for more than 3 months but less than 1 year	18439	26609	45048
Claims OS for more than 1 year	1131	123529	124660

❖ MANAGEMENT OF NON SUIT CLAIMS

Parameter	31.03.2016	31.03.2017	31.03.2018
No of claims O/s	96424	137529	126212
Amount of claims O/s	₹ 4055 cr	₹ 4769 cr	₹ 5097 cr
No of claim O/s for more than one year (Excl.GA and Coinsurance)	2114	1261	786
Non Suit Claim Settlement Ratio	96%	97%	97.32%

❖ MARKETING DEPARTMENT

Your Company has once again displayed its leadership by retaining number one position in the insurance industry with a total of 15.06% market share.



Our marketing team of development officers contributed with a remarkable share of premium of ₹ 4821.71 Crs. Our business associates also contributed more than ₹ 272.88 crs premium for the FY-2017-18.

CMD Club for AO (D), AM (D) was formed and its first convention was held at Coimbatore and convention of Development Officers' CMD Club was held at Hyderabad to felicitate the stars performers. Development Officers incentives for the FY-16-17 were paid through incentive module.

Special 3 days residential training programme for development officers' CMD club members for 2017-2018 was arranged in association with Tata Institute of Social Sciences (TISS) at four major centres across India. The department undertook 3 Days Residential Training Programme on Effective Marketing Skill & Customer Service for more than 300 Divisional & Senior Divisional Managers all over India. The training programme was arranged at Insurance Institute of India, BandraKurla Complex, Mumbai.

❖ CORPORATE COMMUNICATION DEPARTMENT

Press conferences were organized to apprise the media fraternity of our various financial achievements, and also the launch of New Global Mediclaim Policy during the year. Wide coverage of our achievements, carried out by all the leading publications, boosted brand image of our company.

Your Company organized foundation day programme successfully with guest speaker, Mr. Amitabh Kant, CEO, Niti Aayog and a number of media persons attended the event. In addition to effective use of traditional outdoor media; new methods like Digital Advertising on platforms such as Google Ads, Digital platform of TOI, Dainik Bhaskar, Railway Online Ticketing Portal – irtc and E.mailers were also used to reach out to maximum customers. New Hoardings and Glow signs in over 150 displays have been placed at prominent Airports, Road junctions, Highways, Railway stations and Bus stands throughout the country to increase our visibility. Advertisements were also displayed on moving media like Mumbai and Delhi Metro trains, Kolkata Nano Trams, buses, containers and also on digital screens on railway platforms. Inside airport branding was taken on all the major Airports with addition of displays on 7 airports - Coimbatore, Madurai, Bhubaneshwar, Lucknow, Bhopal, Dehradun and Goa Airport. Also branding inside 34 Aircrafts of Go Air Flights was done.

Effective use of electronic media - T.V. to create Pan India awareness of our Brand through some of the niche channels to create awareness about our Motor and Health products especially our newly launched health product Global Mediclaim .

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

❖ RIGHT TO INFORMATION ACT

The Right to Information Department was set up at Head Office in 2005. It processes the requests for information from Citizens all over the country and adjudicate on appeals promptly and efficiently. The department continues to facilitate the principles of transparency and accountability, in

conformity with the objectives of the RTI Act. The Central Public Information Officers (CPIOs) of 31 Regional Offices and 7 Large Corporate Broker Offices (LCBOs) also contributed to the promotion of the ideals of the Act, under the umbrella of RTI Department at Head Office.

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

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

During the year 2017-18 the total (including online) number of RTI Applications received is 2411 and First Appeals is 375. In compliance with the CIC guidelines / RTI Act, the Company's official website is up-dated from time to time, disclosing and uploading maximum information under xvii points as mandated under the provisions of Section 4(1)(b) of the RTI Act, 2005.

❖ ANTI MONEY LAUNDERING

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

❖ INDUSTRIAL DISPUTES AND DISCIPLINE

Your Company has strived to impart massive Training on CDA Rules 2014 across the board to bring about awareness on Misconducts, Prohibitions and Restrictions to ensure better IR climate in the Organization.

In order to ensure strict adherence to a climate of discipline, the Company has viewed all instances of Unauthorised Absences cases seriously and appropriate actions are taken.

The Board of your Company has approved the policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace. Internal Complaints Committee (ICC), which consists of Chairperson (Women employed at Senior Level), two members amongst the employee committed to cause of women and one member from NGO or Association at Head Office and all Regional offices has been set up to redress complaints received and to promote a work environment that is safe, secure and free of any form of harassment at Workplace .

Submission of On-line Annual Property Returns have been further streamlined and has since achieved optimum efficacy.

There has been no labour unrest nor and any severe IR problem during the Financial Year due to proactive approach of Senior Management at Head Office as well as the Regional Offices.



❖ INFORMATION TECHNOLOGY

The year saw our ICT to take another leap forward and we augmented our IT infrastructure keeping in mind agility and security as the prime drivers and now have a state of the art infrastructure to cater to the growing needs in the coming years. We have also introduced compute in the Near site to ensure that there is no disruption in our internet facing applications should there be any contingency in the DC. We are amongst few enterprises in the country today for having introduced the Software Driven Network infrastructures in DCs. With this robust modern infrastructure in place we were able to garner a total Indian premium of ₹ 22719 crore. Digital premium increased from 15% to 18.95%, amounting to ₹ 4302 crore, an accretion of 47%, as compared to the previous year amount of ₹ 2927 crore. The giant strides made were visible in the agent's portal which doubled in the portal usage from ₹ 763 crore to ₹ 1691 crore. With this robust infrastructure in place, we were able to issue 29.7 MN policies and settle 4.9 MN claims. The year also saw a major focus and direction towards improving security of our ICT infrastructure across our wide spread of offices and many measures taken included beefing up security from End points to the Database and Data centres. We have introduced Biometric as a two factor authentication for all our employees in system usage. Security is an ongoing process and we have to always be on the guard and are taking the required measures and guidance given by Government Agencies and Regulator. We also completed the Security Audit as envisaged by IRDAI.

Our focus going forward in technology is from the enterprise to the customer and Agents. With this in mind, we have enabled various features for customer to login claims, to the Agents we have provided many new features to manage claims, appointments calendar, alert notifications etc. We have also changed the look and feel of our website and portal to make it more appealing and customer oriented. We hope to do more in the coming year in this direction with introduction of a chatbot and the paperless claims processing. The year also included moving towards advanced Business Analytics from the traditional BI with a Data Visualisation tool an envisage extensive usage in the years to come for better analytics and empowerment of Business Owners in their decision making. With our relentless pursuit to transform ourselves into a technology-driven company, the aim is to keep the customer in the centre of our enterprise and to create a working environment which is superlative to all stakeholders.

❖ HUMAN RESOURCES DEVELOPMENT AND PERSONNEL STAFF WELFARE SCHEMES

In line with the tradition of keeping the interest of its employees foremost, the Company has continued to implement welfare schemes for its employees. Active as well as retired employees along with their dependent and non-dependent family members are covered under Group Staff Mediclaim Policy covering all kinds of diseases with minimal exclusions, Group Personal Accident Policy providing 24 hours cover to employees against accidental death or permanent disablement, Group Savings Linked Life Insurance, Group Term Life Insurance, Employees Deposit Linked Life Insurance, Lump sum payment for Domiciliary Medical Treatment, Group Baggage Policy, Education Advance Scheme for children of employees to pursue quality

education, Housing Loan at subsidized rate of interest, Medical Check-up facility to Manager and above cadres, Director's Mediclaim Scheme for reimbursement of medical expenses of active as well as retired Directors along with their dependent family members etc.

The Company provides Ex-gratia relief scheme to its employees which provides for reimbursement of medical expenses beyond the Mediclaim cover. Special leave is sanctioned and medical expenses are reimbursed if employee meets with accident whilst on duty which is in addition to the 24 hours Personal Accident cover provided to employees. Special leave is also granted for participating in National & International sports events including Mountaineering, Expedition and Trekking events. Employees are encouraged for pursuing higher post graduate academic courses for which financial assistance is provided.

Other welfare schemes like Vehicle Loans at subsidized rate of interest, Leased accommodation to all cadres of employees, Retirement Benefit and Death Relief Schemes managed by Mutual Benefit Society for employees, Leave Travel Subsidy, Labour Welfare scheme are provided.

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

HUMAN RESOURCES

Employee strength as on 31st March 2018

Category of Employees	Male	Female	Total
Class I	5568	2141	7709
Class II	960	39	999
Class III	5710	1929	7639
Class IV (Excluding Part Time Sweepers)	1121	400	1521
Part Time Sweepers	10	2	12
TOTAL	13369	4511	17880

RECRUITMENT AND RESERVATION

Number of employees recruited during 2017-18

Category of Employees	SC	ST	OBC	Total*	Ex-Servicemen	PWD
Class-I	43	16	83	300	1	7
Class-II						
Class III	139	54	222	938	69	34
Class IV (Excluding Part Time Sweepers)	7	6	4	20		
Part Time Sweepers						
TOTAL	189	76	309	1258	70	41

* Ex-Servicemen and PWD included in Total



Representation of Scheduled Caste and Scheduled Tribe employees under various cadres as on 31.03.2018

Category/ Level	Total Number	Number and Percentage			
		SC	%	ST	%
Class-I	7709	1590	20.63%	617	8.00%
Class-II	999	97	9.71%	38	3.80%
Class III	7639	1611	21.09%	586	7.67%
Class IV (Excluding Part Time Sweepers)	1521	745	48.98%	130	8.55%
Part Time Sweepers	12	9	75.00%	0	0.00%
TOTAL	17880	4052	22.66%	1371	7.67%

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

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

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

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

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

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

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

GENDER ISSUES AND EMPOWERMENT OF WOMEN

Your Company has a strong women force and provides adequate opportunities for self and career development. A significant number of women Officers, as on 31.03.2018, are holding senior positions in our Offices:

General Manager	2
Deputy General Manager	6
Chief Manager / Regional Manager	19
Divisional Manager / Sr. Divisional Manager	53
Branch Manager / Sr. Branch Manager	65

- Women executives are nominated for various programmes organized by Forum of Women in Public Sector (WIPS)
- Women Officers are also nominated in large numbers to the Programme for Women Managers conducted by National Insurance Academy, Pune
- Women's Committees are constituted at Head Office and various Regional Offices and are actively involved in resolving all gender-related issues/cases referred to them
- The International Women's Day was celebrated on March 8th, 2018 in all Offices across the country. Seminars were organised at various centers on topics such as Women Entrepreneurship, Stress Management, Work-Life Balance, Mental & Physical Health, Nutritious diets, Rights of women under various laws of the country, and new law for protection of the women at workplace etc.

❖ TRAINING :

In the competitive scenario of the insurance industry of present times, it is of utmost importance to keep our employees abreast of the changes and to develop their insurance skills both in underwriting and claims settlement. Keeping this in mind, the Company conducts regular training programs. Your Company also nominates employees for various training programs organized by external institutes from time to time. The focus of the trainings are on policy awareness, technical matters, specialized topics, marketing strategies, IT, personality development etc. Apart from emphasizing on mainstream training, the Company encourages the nominations in alternate training programs, as arranged for homogenous group of employees. Women employees are also nominated to specialized training programs like the Women Managers Training Programme. Pre-promotional training had been imparted to all eligible SC/ST/OBC employees of all cadres. Pre-recruitment training had been imparted to all SC/ST/OBC applicants. Based on our study of previous nominations, the system of Training Nominations have shifted from nomination-based to employees' work profile based, i.e., the employee is nominated for training relevant to his line of working. Every effort is made to limit the training of an employee to two in a year, so that maximum number of employees get the opportunity to be trained

Apart from above, various Departments at HO conducted homogeneous training programmes to respective employees based on their work profile. Marketing Dept, HO arranged Training to the Operating Office Heads; Agency Dept, Rural Insurance and Claims HUB Departments, HO imparted Training to Agents Managers and respective Dept- Officials.



❖ OFFICIAL LANGUAGE IMPLEMENTATION

The Official Language Department works as per the guidelines issued by the Official Language Department of Ministry of Home Affairs and Financial Services Department. According to these guidelines all the offices of the company are required to make all possible efforts to increase Official Language Implementation work and explore in the area of Official Language. Hindi Workshops were organized, Inspections were done of all the Regional/operating offices, Hindi Diwas was organized, trainings were held to motivate and increase the interest of the Official language hindi among the employees.

❖ INTERNAL AUDIT

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

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

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

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

In addition to laying emphasis on adherence to various systems and procedural lapses, more stress has been given for strengthening the audit compliance mechanisms and initiating fresh interventions to ensure elimination of recurring system & procedural lapses. In addition to HO level Audit

❖ PARTICULARS WITH REGARD TO EMPLOYEES DRAWING REMUNERATION IN EXCESS OF RUPEES ONE CRORE TWO LAKH PER ANNUM IF EMPLOYED THROUGHOUT THE YEAR OR EIGHT LAKH FORTY THOUSAND PER MONTH IF EMPLOYED FOR PART OF THE YEAR.

SR. NO.	NAME OF THE EMPLOYEES	SERVICE IN YRS	DESIGNATION	REMUNERATION	QUALIFICATION	DATE OF JOINING	AGE	LAST EMPLOYMENT HELD	PLACE
1	PHILIP SCOTT	39	CHIEF UNDERWRITER	1,27,39,131	ACII	1.8.2011	59	Assicurazione Generali Spa	LONDON
2	JAMES DEY	33	TREATY UNDERWRITER	1,78,34,779	ACII	19.9.2011	52	BRIT	LONDON

❖ SECRETARIAL STANDARDS

During FY 2018, the Company was in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings.

❖ SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE OPERATIONS.

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals during FY 2018 impacting the going concern status of future operations of the Company.

Workshops, Internal Audit Department at Regional Offices is conducting quarterly workshops for resolving maximum number of pending queries.

❖ LEGAL & CONSUMER FORUM

The legal matters other than T.P claims, pertaining to Consumer Fora cases/Supreme Court cases and Arbitration cases in coordination with respective Technical Departments at Head Office.

The procedure for handling Arbitration and consumer disputes has been streamlined to help proper defense and quicker resolution of cases. Delhi Legal Hub handles National Commission/Supreme Court cases and State Commission/District Forum cases are handled by respective Regional Offices/Legal Hubs/Divisional Offices.

Encouraging and monitoring compromise in consumer disputes have resulted in improvement in suit claim disposal to 28% as against 25% in previous year. The Department has also sensitized handling officials on more effective handling of forum cases through personal visit, workshop in Regional offices and All India Conference.

The Department strives towards achieving the twin objective of minimizing fresh reporting of cases by handling claims, keeping in mind the trend of Consumer courts and faster disposal of pending cases which will improve the customer satisfaction index of the Company.

❖ VIGILANCE

The Vigilance Department is headed by Chief Vigilance Officer & focuses on Preventive Vigilance with an objective of systemic improvements which besides reducing corruption also lead to better operational results. It is a tool of management & good governance & is aimed at identifying, tackling / addressing the root cause of corruption within the organization.

Towards this end, Preventive Vigilance Workshops were conducted at 180 offices and Surprise Inspections were carried out at 550 offices. Recommendations were also made for systems improvement. Vigilance Awareness Week was observed from 30th October to 4th November, 2017. The theme for the year was “My Vision – Corruption Free India”. The theme was reinforced across the cross section of society by organizing Quiz Competition, Essay Writing Competition, Workshops pan India across various educational institutions.



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

❖ INDEPENDENT DIRECTORS

All Independent Directors have given declarations that meet the criteria of independence as laid down under Section 149(6) of the Companies Act 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and 'fit and proper' declaration as laid down under Corporate Governance guidelines of IRDAI.

❖ LISTING OF EQUITY SHARES

During FY 2018, The New India Assurance Co. Ltd. completed its Initial Public Offer ("IPO") by way of Offer for Sale up to 9,60,00,000 Equity Shares of face value of ₹ 5 each of the Company by the selling shareholder Government of India and Fresh Issue of 2,40,00,000 equity shares of face value of ₹ 5 each.

The shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 13, 2017.

❖ BOARD EVALUATION

Pursuant to the provisions of the Companies Act 2013 and guidelines for insurance companies issued by Insurance Regulatory and Development Authority of India (IRDAI), the Board has carried out an annual performance evaluation of its own performance. The Evaluation has been carried-out as per the criteria approved by the Nomination and Remuneration Committee.

❖ AUDITORS REPORT

The replies to the qualification made by the Statutory Auditors in their report is attached as Annexure to the Directors Report.

❖ SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company had appointed S.N.Ananthasubramanian, Practising Company Secretary to conduct Secretarial Audit Report is annexed herewith as Annexure. There are no qualifications, reservation, adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

❖ INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board has adopted policies & procedures for ensuring the orderly & efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention & detection of fraud, ever reporting mechanisms, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

❖ RELATED PARTY TRANSACTIONS

Your Company undertakes transactions with related parties in the ordinary course of business. The details of related

party transactions are disclosed under Notes to Financial Statements for FY 2018.

Board approved policy on Related Party Transactions has been hosted on the website of the Company and can be viewed at the below link: "<https://www.newindia.co.in/cms/755da005-5d81-4145-bfe3-43b8f82caecf/Related%20party%20Policy.pdf?guest=true>".

❖ INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (IRDAI)

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

❖ FINANCIAL RATING

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

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

❖ FOREIGN EXCHANGE EARNING & OUTGO AND OTHER INFORMATION

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

Earnings : ₹ 574.28 crores (p.year ₹ 369.68 crores)

Outgo : ₹ 648.15 crores (p.year ₹ 582.51 crores)

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

Expenses on (a) Entertainment (b) Foreign tours and (c) Publicity and Advertisement amounted to ₹ 1,04,40,855 (P.Y.1,11,69,220); ₹ 1,74,63,104 (P.Y. ₹ 2,37,85,462) and ₹ 63,09,71,503 (P.Y. ₹ 60,45,07,128) respectively.

❖ CONSOLIDATED FINANCIAL STATEMENTS

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



of its own which shall also be laid before the Annual General Meeting of the company along with the laying of its financial statements under Sub Section (2) of Section 129.

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

❖ **CORPORATE GOVERNANCE**

Your Company is fully committed to follow sound corporate governance practices. The Company's Board is constituted in compliance with CA 2013, in accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and IRDAI Corporate Governance guidelines 2015. The Board comprises of Corporate governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled such that it can fulfill its goals and objectives in a manner that adds to the value of the company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the board of directors, management, shareholders to customers, employees and society. The management of the company hence assumes the role of a trustee for all others.

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

The Board functions either as an entity per se, or through various committees constituted to oversee specific operational areas. There is an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board. None of the Directors are related to any other Directors or employees of the Company.

Mr. Sharad S. Ramnarayanan Appointed Actuary of the Company is a permanent invitee to the Board meeting.

❖ **BOARD OF DIRECTORS**

The Board underwent the following changes in its composition

since the date of last directors' report, i.e., 30th April 2017:

- Cessation of Ms T.L. Alamelu as Director w.e.f. 31st May 2017
- Cessation of Mr. Arun Tiwari as Director w.e.f. 30th June 2017.
- Appointment of Mr. Anil Kumar as Whole Time Director w.e.f. 20th June 2017.
- Appointment of Mr. P. Ramana Murthy and Mr. Neelam Damodharan as Ex-Officio Directors on the Board w.e.f. 14th August 2017.
- Appointment of Ms Papia Sengupta as Ex-Officio Director on the Board w.e.f. 27th September 2017.
- Appointment of Mr. S.K. Banerjee, Mr. S.K. Chanana and Mr. Kuldip Singh as Non Official Directors w.e.f. 29th September 2017.
- Cessation of Mr. Mohd. Mustafa as Director w.e.f. 3rd October 2017.
- Appointment of Mr. Lok Ranjan as Government Nominee Director w.e.f. 3rd October 2017.
- Cessation of Mr. Lok Ranjan as Government Nominee Director w.e.f. 24th May 2018.
- Appointment of Mr. Mohd. Zafir Alam as Director w.e.f. 30th January 2018.
- Appointment of Mr. Debasish Panda as Government Nominee Director w.e.f. 24th May 2018

The composition of the Board of Directors as on 31.03.2018:

- (i) Mr. G. Srinivasan, Chairman-cum-Managing Director
- (ii) Mr. Lok Ranjan, Government Nominee Director
- (iii) Mr. Hemant G. Rokade, Whole Time Director
- (iv) Mr. Neelam Damodaran, Non Executive and Independent Director
- (v) Mr. P Ramana Murthy, Director
- (vi) Ms. Papia Sengupta, Director
- (vii) Mr. S. Chanana, Director
- (viii) Mr. Kuldip Singh, Director
- (ix) Mr. S.K. Banerjee, Director



❖ **DETAILS OF DIRECTORS AS ON MARCH 31 2018 AND ON THE DATE OF 99th ANNUAL GENERAL MEETING:**

Name	Designation	Qualifications
G Srinivasan		
DIN No. 01876234	Chairman cum Managing Director	B.Com, ACMA, FIII
Hemant G Rokade		
DIN No. 06417520	Director & General Manager	M.Com (FIN)
C Narambunathan ¹		
DIN No. 08101846	Director & General Manager	M.Com, A.C.S., F.I.I.I.
Neelam Damodharan ²		
DIN No.07759291	Non-Executive & Independent Director	B.Sc(Agr.), CAIIB, Diploma in Financial Management
P R Murthy ³		
DIN No. 07815852	Non-Executive & Independent Director	B.Sc(Agr.), CAIIB
Papia Sengupta ⁴		
DIN No. 07701564	Non-Executive & Independent Director	B.Sc, CFA(India), CALLB
S K Banerjee ⁵		
DIN No. 01987541	Independent Director	Master of Commerce, Fellow ICAI
Kuldip Singh ⁶		
DIN No. 02905840	Independent Director	B.Sc, Agr. (Hons),
S K Chanana ⁷		
DIN No. 00112424	Independent Director	M.A, LLB, ACS
Lok Ranjan ⁸		
DIN No. 07791967	Government Nominee Director	M. Tech
Debashish Panda ⁹		
DIN No. 06479085	Government Nominee Director	Post Graduate in Mphil

¹ Appointed on 2nd April, 2018

² Appointed on 14th August, 2017

³ Appointed on 14th August, 2017

⁴ Appointed on 27th September, 2017

⁵ Appointed on 29th September, 2017

⁶ Appointed on 29th September, 2017

⁷ Appointed on 29th September, 2017

⁸ Appointed on 3rd October, 2017 and ceases on 24th May, 2018

⁹ Appointed on 24th May, 2018

Name of the Director	Category 1 of directors	No of Directorship in listed entities including the Company	Number of memberships in Audit/ Stakeholder Committee(s) including the Company	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including the Company
G Srinivasan	Executive Director	4	1	0
Hemant Rokade	Executive Director	1	2	0
C Narambunathan ¹	Executive Director	1	2	0
N Damodharan ²	Non-Executive - Independent Director	3	3	1
P Ramana Murthy ³	Non-Executive - Independent Director	3	3	1
Papia Sengupta ⁴	Non-Executive - Independent Director	5	0	0
S K Banerjee ⁵	Non-Executive - Independent Director	1	1	0
Kuldip Singh ⁶	Non-Executive - Independent Director	1	1	0
S K Chanana ⁷	Non-Executive - Independent Director	1	0	0
Lok Ranjan ⁸	Govt. Nominee Director	2	0	0
Debashish Panda ⁹	Govt. Nominee Director	2	1	0

¹ Appointed on 2nd April, 2018

² Appointed on 14th August, 2017

³ Appointed on 14th August, 2017

⁴ Appointed on 27th September, 2017

⁵ Appointed on 29th September, 2017

⁶ Appointed on 29th September, 2017

⁷ Appointed on 29th September, 2017

⁸ Appointed on 3rd October, 2017 and ceases on 24th May, 2018

⁹ Appointed on 24th May, 2018



❖ **DETAILS OF BOARD MEETING AND COMMITTEES OF THE BOARD FOR FY 2018 :**

▶ **BOARD MEETING:**

During the year, the Board met thirteen (13) times. The names of the Directors, their attendance at Board Meetings during the year and the number of directorships and board committee memberships held by them as on the date of the report are set out in the following table :

Director	No. of Meetings attended/ held
Mr. G. Srinivasan	13/13
Mr. Mohd. Mustafa	3/13
Mr. Arun Tiwari	1/13
Mr. Hemant G. Rokade	10/13
Ms. T.L. Alamelu	1/13
Mr. Anil Kumar	9/13
Mr. P. R. Murthy	8/13
Mr. N. Damodharan	3/13
Ms. P. Sengupta	3/13
Mr. S.K. Banerjee	6/13
Mr. Kuldip Singh	7/13
Mr. S.K. Chanana	7/13
Mr. Lok Ranjan	1/13

Details of Equity Shares held by the non-executive director as on March 31 2018 :

S r. No.	Name of the Director	No. of Equity Shares
1	Mr. S.K. Banerjee	36

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS :

The detail of the familiarization programme have been hosted on the website of the Company and can be viewed at the below mentioned link : <https://www.newindia.co.in/cms/2412893c-cecd-41bc-9537-37aa4b7ba9bb/Familiarization.pdf?guest=true>

CODE OF CONDUCT FOR DIRECTORS/SENIOR MANAGEMENT

The Code of Conduct for Directors/Senior management has been hosted on the website of the Company and can be viewed at the below mentioned link : <https://www.newindia.co.in/cms/f6aac711-c72a-4f75-82ae-f2001bf929d3/Code%20of%20Conduct.pdf?guest=true>,

CRITERIA FOR APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT

The appointment of Directors & Senior Management are as per the relevant notifications issued by Government of India.

REMUNERATION POLICY

The remuneration to Whole Time Directors, Key Managerial Personnel, Senior Management and other employees is as per relevant notifications issued by Government of India.

COMMITTEES OF THE BOARD :

The Board has constituted the following committees:

- i) Audit Committee
- ii) Investment Committee
- iii) Risk Management Committee
- iv) Policyholders Protection Committee
- v) Nomination & Remuneration Committee
- vi) Corporate Social Responsibility Committee
- vii) Stakeholders Relationship Committee
- viii) Information Technology Committee
- ix) Property Review Committee

The terms of reference, the composition along with the number of meetings held during FY 2018 and the attendance of the Committees of the Board are provided below :

▶ **AUDIT COMMITTEE:**

Terms of Reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Taking on record the appointment of auditors of the company by the Comptroller and Auditor General of India;
3. Recommendation for remuneration and terms of appointment of auditors of the company;
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with reference to:
 - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;
 - (v) Compliance with listing and other legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions; and
 - (vii) Modified opinion(s)/ qualifications in the draft audit report.
6. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of



- uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue (if applicable), and making appropriate recommendations to the Board to take up steps in this matter;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 9. Approval of any subsequent modification of transactions of the company with related parties; Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations) and/or the Accounting Standards.
 10. Scrutiny of inter-corporate loans and investments;
 11. Valuation of undertakings or assets of the company, wherever it is necessary;
 12. Evaluation of internal financial controls and risk management systems;
 13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 15. Discussion with internal auditors of any significant findings and follow up there on;
 16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 19. Reviewing the functioning of the whistle blower mechanism and the chief risk officer of the Company;
 20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 21. Oversee the vigil mechanism established by the Company and the chairman of audit committee shall directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns; and
 22. Carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of the Company or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.
 23. Management discussion and analysis of financial condition and results of operations;
 24. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 25. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 26. Internal audit reports relating to internal control weaknesses;
 27. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Attendance of Members of the Audit Committee:

Director	No. of Meetings attended/ held
Mr. Mohd. Mustafa	3/9
Mr. Arun Tiwari	1/9
Mr. Hemant G. Rokade	8/9
Ms. T.L. Alamelu	1/9
Mr. Anil Kumar	4/9
Mr. N. Damodharan	3/9
Mr. P. R. Murthy	3/9
Mr. Lok Ranjan	1/9
Mr. S.K. Banerjee	2/9
Mr. Kuldip Singh	1/9

▶ INVESTMENT COMMITTEE:

Terms of Reference:

1. Overseeing the implementation of the investment policy approved by our Board from time to time;
2. Reviewing the investment policy;
3. Periodical updating to our Board with regard to investment activities of the Company;
4. Reviewing the investment strategies adopted from time to time and giving suitable directions as needed in the best interest of the Company;
5. Reviewing the broker policy and making suitable amendments from time to time;
6. Reviewing counter party/intermediary exposure norms;
7. Supervising the asset allocation strategy to ensure financial liquidity, security and diversification through liquidity contingency plan and asset liability management policy; and
8. Overseeing the assessment, measurement and accounting for other than temporary impairment in investments in accordance with the policy adopted by the Company.

Attendance of the Members of the Investment Committee:

Director	No. of Meetings attended/ held
Mr. G. Srinivasan	5/5
Mr. Arun Tiwari	1/5
Mr. Hemant G. Rokade	5/5
Ms. T.L.Alamelu	1/5
Mr. Anil Kumar	1/5
Mr. P. R. Murthy	3/5
Ms. P. Sengupta	0/5
Mr. S.K.Chanana	3/5
Ms S.N. Rajeswari	5/5
Mr. Sharad Ramnarayanan	5/5
Mr. S. Shankar	4/5
Mr. S. Harinath	4/5
Mr. Mahesh S. Joshi	1/5

► RISK MANAGEMENT COMMITTEE:
Terms of Reference:

- To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
- To frame and devise risk management plan and policy of the Company;
- To review and recommend potential risk involved in any new business plans and processes; and
- Establish effective Risk Management framework and recommend to the Board the Risk Management policy and processes for the organization.
- Set the risk tolerance limits and assess the cost and benefits associated with risk exposure.
- Review the Company's risk- -reward performance to align with overall policy objectives.
- Discuss and consider best practices in risk management in the market and advise the respective functions;
- Assist the Board in effective operation of the risk management system by performing specialized analyses and quality reviews;
- Maintain an aggregated view on the risk profile of the Company for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc.
- Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters.
- Report to the Board, details on the risk exposures and the actions taken to manage the exposures; review, monitor and challenge where necessary, risks undertaken by the Company
- Review the solvency position of the Company on a regular basis.

- Monitor and review regular updates on business continuity.
- Formulation of a Fraud monitoring policy and framework for approval by the Board.
- Monitor implementation of Anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds.
- Review compliance with the guidelines on Insurance Fraud Monitoring Framework dt. 21st January 2013, issued by the Authority.
- Any other similar or other functions as may be laid down by Board from time to time."

Attendance of Members of the Risk Management Committee:

Director	No. of Meetings attended/ held
Mr. G. Srinivasan	4/4
Mr. Hemant G. Rokade	2/4
Mr. Anil Kumar	2/4
Mr. N. Damodharan	1/4
Ms. P. Sengupta	2/4
Mr. S.K.Chanana	3/4
Mr. Kuldeep Singh	3/4
Mr. S.K.Banerjee	3/4

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

► POLICYHOLDERS PROTECTION COMMITTEE :
Terms of Reference :

- Putting in place proper procedures and effective mechanism to address complaints and grievances of Policyholders including mis-selling by intermediaries;
- Ensuring compliance with the statutory requirements as laid down in the regulatory framework;
- Reviewing the mechanism at periodic intervals;
- Ensuring adequacy of "material information" to the policyholders to comply with the requirements laid down by the authority both at the point of sale and periodic intervals;
- Reviewing the status of complaints at periodic intervals;
- Providing the details of grievance at periodic intervals in such formats as may be prescribed by the authority;
- Providing details of insurance ombudsman to the policyholders;
- Monitoring of payments of dues to the policyholders and disclosure of unclaimed amount thereof;
- Review of regulatory reports to be submitted to various authorities;
- To review the standard operating procedures for treating the customer fairly including time-frames for policy and claims servicing parameters and monitoring implementation thereof;



11. To review the framework for awards given by Insurance Ombudsman/ Consumer Forums. Analyse the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any;
12. To review all the awards given by Insurance Ombudsman/ Consumer Forums remaining unimplemented for more than three (3) months with reasons therefore and report the same to our Board for initiating remedial action, where necessary;
13. To review claim report including status of outstanding claims with ageing of outstanding claims; and
14. To review repudiated claims with analysis of reasons
15. Recommend a policy on customer education for approval of the Board, and ensure proper implementation of such policy;
16. Put in place systems to ensure that policyholders have access to redressal mechanisms and shall establish policies and procedures for the creation of a dedicated unit to deal with customer complaints and resolve disputes expeditiously;
17. Status of settlement of other customer benefit payouts like surrenders, loan, partial withdrawal requests etc.; and
18. Review of unclaimed amounts of policyholders, as required under the circulars and guidelines issued by the Authority.

Attendance of Members of the Policyholders Protection Committee :

Director	No. of Meetings attended/held
Mr. G. Srinivasan	4/4
Mr. Hemant G. Rokade	2/4
Mr. Anil Kumar	2/4
Mr. Kuldip Singh	3/4
Mr. N. Damodharan	1/4
Mr. S.K.Banerjee	3/4

3. Taking on record the appointment and removal of directors, including independent directors, by the President of India, acting through respective ministries;
4. Taking on record the extension, if any, of the term of the independent directors of our Company, as may be directed by the President of India, acting through the respective ministries;
5. Taking on record the extension, if any, of the term of the independent directors of our Company, as may be directed by the President of India, acting through the respective ministries;
6. Taking on record the various policies, if any, promulgated by the Central Government including policy on diversity of board of the directors and criteria for evaluation of performance of the directors;
7. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
 - (b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
 - (c) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Attendance of Members of the Nomination & Remuneration Committee :

Director	No. of Meetings attended
Mr. S.K. Chanana	2/2
Mr. Lok Ranjan	2/2
Mr. G. Srinivasan	1/2
Mr. P. Ramana Murthy	2/2

► NOMINATION & REMUNERATION COMMITTEE :

Terms of Reference :

1. Recommend to the Board a policy relating to the remuneration of the key managerial personnel and other employees;
2. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that —
 - (a) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (b) remuneration to key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

► CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

Terms of Reference :

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the aforementioned activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time.

**Attendance of Members of the Corporate Social Responsibility Committee :**

Director	No. of Meetings attended
Mr. G. Srinivasan	3/3
Mr. Arun Tiwari	1/3
Mr. Hemant G. Rokade	3/3
Ms T.L. Alamelu	1/3
Mr. P. Ramana Murthy	1/3
Ms Papia Sengupta	0/3
Mr. Kuldip Singh	2/3

STAKEHOLDERS RELATIONSHIP COMMITTEE :**Terms of Reference :**

1. Considering and resolving grievances of shareholders', debenture holders and other security holders, of the Company;
2. Redressal of grievances of the security holders of the Company, including complaints in respect of allotment or transfer of equity shares, non-receipt of annual report, non-receipt of declared dividends, balance sheets, of the Company, etc.;
3. Allotment or transfer of equity shares, approval of transfer or transmission of equity shares, debentures or any other securities, of the Company;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
5. Carrying out any other function contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

Attendance of Members of the Stakeholders Relationship Committee :

Director	No. of Meetings attended
Mr. P. Ramana Murthy	1/2
Mr. G. Srinivasan	2/2
Mr. Neelam Damodharan	2/2
Mr. Hemant G. Rokade	2/2
Ms T.L. Alamelu	1/3

Number of Complaints :

During the year, the Company/its Registrar received the following complaints from SEBI/Stock Exchanges/Depositories which were resolved within the time frame laid down by SEBI :

Sr. No.	PARTICULARS	No.
1	No. of Investors complaints pending as on 13.11.2017	0
2	No. of Investors complaints received during 13.11.2017 to 31.3.2018	1

3	No. of Investors complaints disposed during 13.11.2017 to 31.3.2018	1
4	No. of Investors complaints those remained unsolved as on 31.3.2018	0

INFORMATION TECHNOLOGY COMMITTEE :**Terms of Reference :**

Evaluation of various IT proposals and after perusal recommending the same to the board for approval.

Attendance of Members of the Information Technology Committee :

Director	No. of Meetings attended
Mr. G. Srinivasan	2/2
Mr. Hemant G. Rokade	2/2
Mr. Neelam Damodharan	2/2
Ms Papia Sengupta	2/2
Mr. S.K. Chanana	2/2

PROPERTY REVIEW COMMITTEE :**Terms of Reference :**

To review the various matters with regard to the properties held by the Company.

In 2017-18, no meeting of the Property Review Committee was held.

SITTING FEES PAID TO INDEPENDENT DIRECTORS DURING THE FINANCIAL YEAR ENDED MARCH 31 2018:

Name of the Director	Sitting Fees (₹)
Mr. S.K. Chanana	2,16,000
Mr. Kuldip Singh	2,16,000
Mr. S.K. Banerjee	1,89,000

KEY MANAGERIAL PERSONNEL :

As per Section 2(51) and Section 203(1) of The Companies Act 2013 the following were the Key Managerial Personnel of the Company as on 31.3.2018 :

Chairman cum	
Managing Director	: Mr. G. Srinivasan
Director & General Manager	: Mr. Hemant G. Rokade
Director, General Manager & FA	: Mr C. Narambunathan
General Manager	: Mr. S. Pradhan
General Manager	: Ms Tajinder Mukherjee
General Manager & CFO	: Ms S.N. Rajeswari
General Manager	: Mr. Ranjit Gangadharan
General Manager	: Mr. R.M. Singh
General Manager	: Mr. J.K. Garg
General Manager & Chief Risk Officer	: Mr. S. Shankar
Appointed Actuary Ramnarayanan	: Mr. Sharad S.
Chief Investment Officer	: Mr. Mahesh Joshi



Chief of Internal Audit : Mr. R.P. Joshi
 Company Secretary &
 Chief Compliance Officer : Ms Jayashree Nair
 Chief Financial Officer : Ms S.N. Rajeswari

No. of Complaints received : Nil
 No. of complaints disposed off : Nil

❖ **Disclosures :**

1. During the year, there are no pecuniary relationships or transactions with the Non-Executive Directors.
2. Financial Statements accurately and fairly represent the financial condition of the Company.
3. There has not been any significant change in the accounting policies of the Company during the year.
4. The Company has Business Risk Management process which is periodically reviewed by the Board of Directors/Risk Management Committee to determine its effectiveness.
5. The Board of Directors and the Audit Committee periodically reviewed the status of compliances in respect of applicable Laws and report thereon by the Internal Audit team.
6. Whistle Blower Policy – The Company has a Whistle Blower Policy and the same has been hosted on the website.
7. The Global solvency Margin of the company for the year 2017-18 is 2.58 times.

❖ **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT 2013)**

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

The following is the summary of Sexual harassment complaints received and disposed off during the year 2017-18 :

❖ **SUBSIDIARY COMPANIES**

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

S.No.	Name of the subsidiary	Total paid-up capital (no. of shares)	New shareholding (no. of shares)	India's holding (no. of shares)	% holding of New India Assurance
1.	The New India Assurance Company (Trinidad & Tobago) Limited	17,418,946	14,612,444		83.89
2.	The New India Assurance Company (Sierra Leone) Limited	250,000	250,000		100.00
3.	Prestige Assurance Plc. Nigeria	5,370,434,000	3,732,491,383		69.50

❖ **AUDITORS AND AUDIT REPORT**

Under 139 and Section 143 of The Companies Act, 2013, the Comptroller and Auditor General of India, appointed M/s. Devendra Kumar and Associates, M/s. Bafna and Associates and M/s. NBS & Co. as the Central Statutory Auditors of the Company for the year 2017-18. Branch auditors for the various Regional Offices, Divisional Offices and claims hubs in India and for the foreign branch/agency offices were also appointed for the year. The Board of Directors expresses its gratitude for the directions and guidance given by the statutory auditors in drawing up the Company's annual results.

❖ **EXTRACT OF ANNUAL RETURN :**

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

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

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

Accordingly, the Certificate of Registration of the Insurers renewed in 2016 and which expired on 31st March 2018 shall continue to be in force from 1st April 2018, subject to the provisions of Section 3A read with Section 3 of the Insurance Act 1938. The Certificate of License has been renewed by IRDA w.e.f. 01.04.2018.

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



The performance of subsidiaries for the year ended 31st December 2017 is summarized below:

(Figures in '000)

Name of the subsidiary	Curr ency	U/w Profit/Loss		Investment Income		Other Income		Profit before tax		Dividend	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
NIA (T&T) Ltd.	\$	(21,144)	13,068	6672	5,245	-	1,076	(14472)	19,389		3484
NIA (S.Leone) Ltd.	Le	(18607)	(41,758)	12680	21,553	-	-	(5927)	(20,205)	-	NIL
Prestige Assurance	N	(3,48,538)	(1,81,320)	10,23,979	3,85,955	22548	1,35,759	6,97,989	3,40,394		NIL

- All the subsidiary companies follow the calendar year for finalisation of accounts. Therefore, performance has been given for the year ended 31st December 2017.
- The New India Assurance Company (Sierra Leone) Limited has closed down business operations with effect from 1st January 2003 due to the civil disturbances prevailing in that country. The Company has not declared any dividend for the year 2017-18.
- In compliance with the provisions of the Companies Act 2013, the report and audited accounts of the subsidiary companies are appended hereto.

❖ **GENERAL MEETINGS HELD :**

The details of the Annual General Meetings held in the previous three financial years are given below :

Annual General Meeting	Day, Date	Time	Venue
Ninety Eighth AGM	Wednesday, August 2 nd 2017	11.30 a.m.	New India Assurance Building, 87, M.G. Road, Fort, Mumbai 400 001
Ninety Seventh AGM	Thursday, August 25 th 2016	11.30 a.m.	New India Assurance Building, 87, M.G. Road, Fort, Mumbai 400 001
Ninety Sixth AGM	Thursday, July 9 th 2017	3.00 p.m.	New India Assurance Building, 87, M.G. Road, Fort, Mumbai 400 001

The details of the Special Resolutions passed in the Annual General Meetings held in the previous three financial years are given below :

General Body Meeting	Day and Date	Resolution
Annual General Meeting	Wednesday, August 2 nd 2017	1. Approval for adoption of new set of Articles of Association 2. Approval of sub-division of shares. 3. Increase in Authorised Share Capital of the Company and subsequent alteration in the Capital Clause of Memorandum of Association 4. Approval of issuance of Bonus Shares. 5. To consider and approve the Initial Public Offer
Annual General Meeting	Thursday, August 25 th 2017	-
Annual General Meeting	Thursday, July 9 th 2017	-

❖ **SUBMISSION OF ACCOUNTS BEFORE PARLIAMENT**

The Ministry of Finance, Department of Financial Services, (Insurance Division) has confirmed that the Annual Report of the Company for the Financial Year 2016-17 along with the Directors' Report was placed before Lok Sabha on 22.12.2017 and Rajya Sabha on 22.12.2017 as per the requirement of the Companies Act, 2013.

❖ **MEANS OF COMMUNICATION**

The Company's website (www.newindia.co.in) allows access to all the stakeholders of the Company to access information at their convenience. It provides comprehensive information of the Company.

The financial and other information and the various compliances as required/prescribed under the Listing Regulations are filed electronically with BSE and NSE. The financial results, official news releases, analyst call transcripts and presentations are also available on the Company's website.



❖ GENERAL SHAREHOLDER INFORMATION

Registration Number	190
Corporate Identification Number	L66000MH1919GOI 000526
Financial Year	2017-18
Board Meeting for adoption of Audited Annual Accounts	May 11, 2018
Day, Date and Time of 99 th Annual General Meeting	
Venue	
Financial Year	April 1 – March 31
Book Closure	
Date of Dividend Payment	
Company's Website	www.newindia.co.in

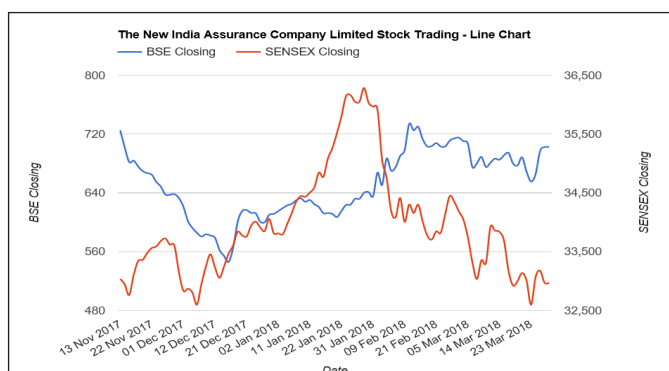
❖ LISTING OF EQUITY SHARES

Currently, the Equity shares of the company are listed at :

Stock Exchange	Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	540769
National Stock Exchange of India Limited (NSE) Exchange Plaza, 5 th Floor, Plot C/1, G block , Bandra Kurla Complex, Bandra (East), Mumbai 400 051	NIACL

The Company has paid the annual listing fees for the relevant period to BSE and NSE.

❖ MARKET PRICE INFORMATION :



Month	BSE		NSE	
	High	Low	High	Low
2017				
November	725.06	632.9	750.00	632.26
December	619.6	545.8	636.90	545.06
2018				
January	639.86	605.40	631.16	602.00
February	733.66	650.60	751.56	645.00
March	711.30	655.36	719.00	635.00

❖ REGISTRAR AND TRANSFER AGENTS :

The Registrar and Transfer Agent of the Company is Link In Time India Pvt. Ltd. for Equity Shares. Investor services related queries/requests/complaints may be directed at the address as under :

Link In Time India Pvt. Ltd.

247 Park , C 101 1st Floor ,
LBS Marg , Vikhroli (W) ,
Mumbai – 400 083
Phone No. : 022 49186000
Email id : rnt.helpdesk@linkintime.co.in



❖ INFORMATION ON SHAREHOLDING :

Sl. No.	Category	Number of Shares on March 31 2018	% total
1	Central Government(Promoter)	70,39,99,856	85.4369
2	Clearing Members	46,193	0.0056
3	Financial Institutions	3,86,123	0.0469
4	Foreign Portfolio Investors (Corporate)	10,71,495	0.13
5	GIC & its subsidiaries	1,65,14,834	2.0042
6	Hindu Undivided Family	1,28,672	0.0156
7	Insurance Companies	22,34,465	0.2712
8	Life Insurance Corporation of India	7,14,16,594	8.6671
9	Mutual Funds	22,20,988	0.2695
10	Nationalised Banks	1,73,94,986	2.1110
11	Non Nationalised Banks	5,16,568	0.0627
12	Non Resident (Non Repatriable)	74,468	0.0090
13	Non Resident Indians	2,30,641	0.0280
14	Other Bodies Corporate	26,60,299	0.3229
15	Public	50,93,718	0.6182
16	Trust	10,100	0.0012

❖ SHAREHOLDERS OF THE COMPANY WITH MORE THAN 1% HOLDING AS ON MARCH 31 2018 (OTHER THAN PROMOTER OF THE COMPANY):

Sr No.	Name	No. of Shares Held	Percentage (%) of total number of shares
1	LIFE INSURANCE CORPORATION OF INDIA	71416594	8.6671
2	GENERAL INSURANCE CORPORATION OF INDIA	10833823	1.3148
3	STATE BANK OF INDIA	10353042	1.2564

❖ DISTRIBUTION OF THE SHAREHOLDING OF THE COMPANY AS ON MARCH 31 2018 :

Sr No.	Shareholding of Nominal Value (INR)		Number of Shareholders	% OF TOTAL	SHARE AMOUNT (INR)	% OF TOTAL ISSUED AMOUNT
	From	To				
1	1	2500	99701	99.1793	21005715.00	0.5098
2	2501	5000	504	0.5014	1749545.00	0.0425
3	5001	10000	142	0.1413	1004840.00	0.0244
4	10001	15000	42	0.0418	527675.00	0.0128
5	15001	20000	19	0.0189	340995.00	0.0083
6	20001	25000	16	0.0159	360315.00	0.0087
7	25001	50000	28	0.0279	1044865.00	0.0254
8	50001	Above	74	0.0736	4093966050.00	99.3681

❖ COMPLIANCE CERTIFICATE OF AUDITORS :

The Company has annexed to this report a certificate obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

❖ EVENTS AFTER BALANCE SHEET DATE :

There has been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of this report.

❖ POLICY FOR MATERIAL SUBSIDIARIES :

The Company is in the process of formulating this policy and placing to the Board. The same would then be uploaded on the website of the Company.

❖ DIRECTORS' RESPONSIBILITY STATEMENT :

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



and confirm that :

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

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

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

❖ **ACKNOWLEDGEMENT**

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

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

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

For and on behalf of the Board

G. SRINIVASAN

Chairman cum Managing Director
DIN No. 01876234

Place : Mumbai

Dated : May 11, 2018