

IFFCO-TOKIO

GENERAL INSURANCE

Muskurate Raho

15

GLORIOUS YEARS

of

SYNERGY. SERVICE. SMILES

ANNUAL REPORT

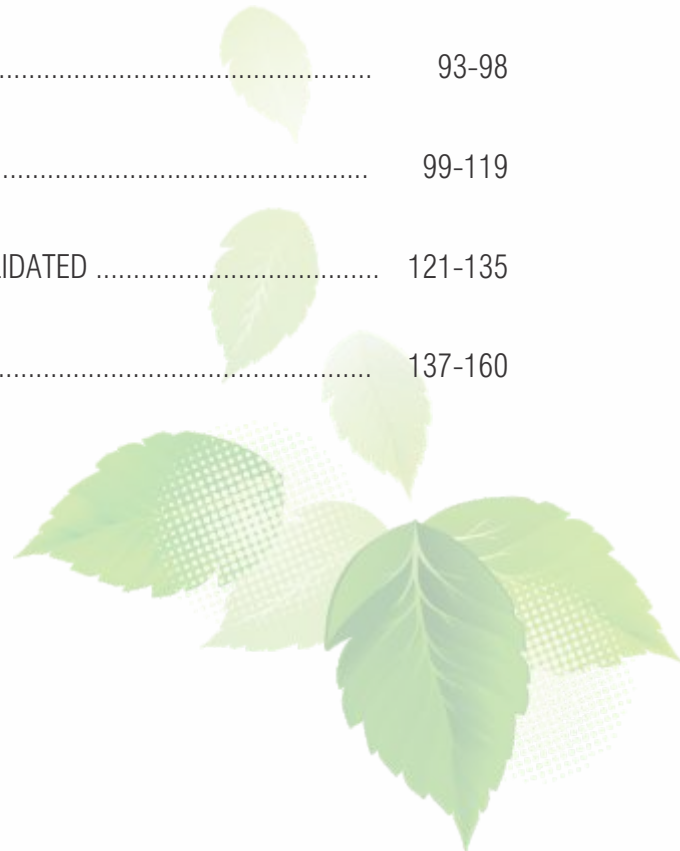
2015-2016

**KHUSHIYON
KA BIMA**

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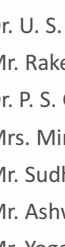
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BOARD OF DIRECTORS



	A	Mr. K. Srinivasa Gowda	Chairman
	B	Mr. Lee King Chi Arthur	Vice Chairman
	C	Mr. Balwinder Singh Nakai	Director
	D	Dr. U. S. Awasthi	Director
	E	Mr. Rakesh Kapur	Director
	F	Dr. P. S. Gahlaut	Director
	G	Mrs. Mira Mehrishi	Independent Director
	H	Mr. Sudhakar Rao	Independent Director
	I	Mr. Ashwani Kumar	Independent Director
	J	Mr. Yogesh Lohiya	Managing Director & CEO
	K	Mr. H. O. Suri	Director (Marketing)
	L	Mr. Hiroshi Yasui	Director (Operations)

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Mr. Yogesh Lohiya
Mr. H. O. Suri
Mr. Hiroshi Yasui

Chairman
Vice Chairman
Director
Director
Director
Director
Independent Director
Independent Director
Independent Director
Managing Director & CEO
Director (Marketing)
Director (Operations)

SENIOR EXECUTIVES

Mr. Harbhajan Singh
Mr. K. K. Aggarwal
Mr. R. Kannan
Mr. Sanjay Seth
Mr. Sanjeev Chopra
Mr. Ramesh Kumar
Mr. Sumesh Mahendra
Mr. Abhay Kumar
Mr. V. Rajaraman
Mr. Abhijit Chatterjee
Mr. Gunashekhar Boga
Mrs. Seema Gaur

Financial Advisor
Executive Vice President
Executive Vice President
Executive Vice President
Executive Vice President & CFO
Executive Vice President
Executive Vice President
Executive Vice President
Executive Vice President
Executive Vice President
Executive Vice President
Executive Vice President

COMPANY SECRETARY

Mr. Amit Jain

STATUTORY AUDITORS

M/s S. K. Mittal & Co.,
Chartered Accountants
M/s S. K. Mehta & Co.,
Chartered Accountants

MAIN BANKERS

Deutsche Bank
Indian Overseas Bank
Standard Chartered Bank
IndusInd Bank

REGISTERED OFFICE

IFFCO SADAN, C-1 District Centre,
Saket, New Delhi-110017
Phone No. 011-26542625

CORPORATE OFFICE

IFFCO TOWER - II, Plot No. 3, Sector 29,
Gurgaon-122001 (Haryana)
Phone No. 0124-2850200

NOTICE OF THE SIXTEENTH ANNUAL GENERAL MEETING

TO THE MEMBERS

NOTICE is hereby given that the **SIXTEENTH ANNUAL GENERAL MEETING** of the Members of **IFFCO-TOKIO General Insurance Company Limited** will be held on **Friday, the 17th June, 2016** at **4.30 PM** at its Registered Office at **IFFCO Sadan, C1, District Centre, Saket, New Delhi-110017** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements and Consolidated Financial Statements of the Company as at 31st March, 2016 together with Auditors' Report thereon and the Report of the Board of Directors to the Members.
2. To appoint Director in place of Dr. U. S. Awasthi, who retires by rotation and is eligible for reappointment.
3. To appoint Director in place of Mr. Lee King Chi Arthur, who retires by rotation and is eligible for reappointment.
4. To appoint Auditors and fix their remuneration and for this purpose to consider and if thought fit, to pass the following Resolution, with or without modification as an **Ordinary Resolution**:

“**RESOLVED THAT** M/s. J. C. Bhalla & Co. (FRN.001111N) Chartered Accountants and M/s S. K. Mittal & Co., (FRN.001135N) Chartered Accountants be and are hereby appointed as Joint Statutory Auditors of the Company for the financial year 2016-17 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, which will be their 1st and 3rd consecutive year respectively within the period of five years in terms of section 139(1) of the Companies Act, 2013 on a remuneration decided by the Board of Directors of the Company”.

Registered Office

IFFCO Sadan, C1,
District Centre, Saket
New Delhi - 110017.
Dated: 9th May, 2016

By Order of the Board,

(AMIT JAIN)
Company Secretary

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and such a proxy need not be a Member of the Company.
2. Instruments of proxies in order to be effective must be received/deposited with the Company at its Registered Office not less than 48 hours before the time fixed for the meeting.
3. The Register of members and Share Transfer Books will remain closed from 10th June, 2016 to 17th June, 2016 (both days inclusive).

DIRECTORS' REPORT



Honourable Members,

Your Directors have pleasure in presenting the Sixteenth Annual Report and Audited Financial Statements of the Company for the Financial Year 2015-16 along with the Auditors' Report thereon.

ECONOMIC ENVIRONMENT AND INDUSTRY SCENARIO:

During the year under report, amidst the gloomy landscape of unusual volatility in the international economic environment the overview of Indian economy remains optimistic. The macro-economy remained stable, founded on the government's commitment to fiscal consolidation and low inflation. The country's economic growth was amongst the highest in the world, helped by a reorientation of government spending toward needed public infrastructure.

The country's performance reflects the implementation of number of meaningful reforms. FDI has been liberalised across the board and vigorous efforts have been undertaken to ease the cost of doing business. Stability and predictability has been restored in tax decisions reflected in the settlement of the Minimum Alternate Tax (MAT) imposed on foreign companies. Major public investment especially in Power, Rail, and Road has been undertaken to strengthen the country's infrastructure. In the farm sector, a major crop insurance programme has been instituted. Under Government's financial inclusion initiatives bank accounts for over 200 million people under Pradhan Mantri Jan Dhan Yojana (PMJDY) have been opened which created infrastructure for extending direct benefit transfer programme for LPG and implementation of Pradhan Mantri Bima Yojana.

During the year 2015-16 growth rate of GDP at constant market prices increased to **7.6%** as compared to **7.2%** in 2014-15. Though agriculture growth in the year remained low on account of weak monsoons, industry has shown significant improvement on account of acceleration in manufacturing while services continue to expand rapidly. The inflation has taken hold and confidence in price stability has improved. The fiscal discipline implemented by the Government has resulted into decline in Current Account Deficit. Initiatives like "Make in India" liberalisation in FDI Policy contributed in increase in foreign exchange reserves have raised to **US\$ 360.25 billion** in early April, 2016.

During the year 2015-16, the non-life insurance sector growth remained moderate and has been **13.6%** as compared to growth of **10.9%** in the same period during 2014-15. During the same period, GDPI growth for private sector companies at **15.2%** is higher than the growth of public sector companies at **12.1%** as against **11.6%** and **10.3%**, respectively during the same period in the year 2014-15.

Post amendment in Insurance Act, 1938, the market is witnessing many regulatory changes. On one side Regulator is opening up new distribution network to increase penetration of insurance and also creating ease of doing business by simplifying product development and approvals process, on the other is trying to enhance policyholder's protection through prescribed stricter underwriting, financial, claim provisioning and solvency norms for insurers. Central Government efforts to increase public investments in infrastructure like power, road, railways and manufacturing are likely to bring growth for the insurance industry.

FINANCIAL PERFORMANCE:

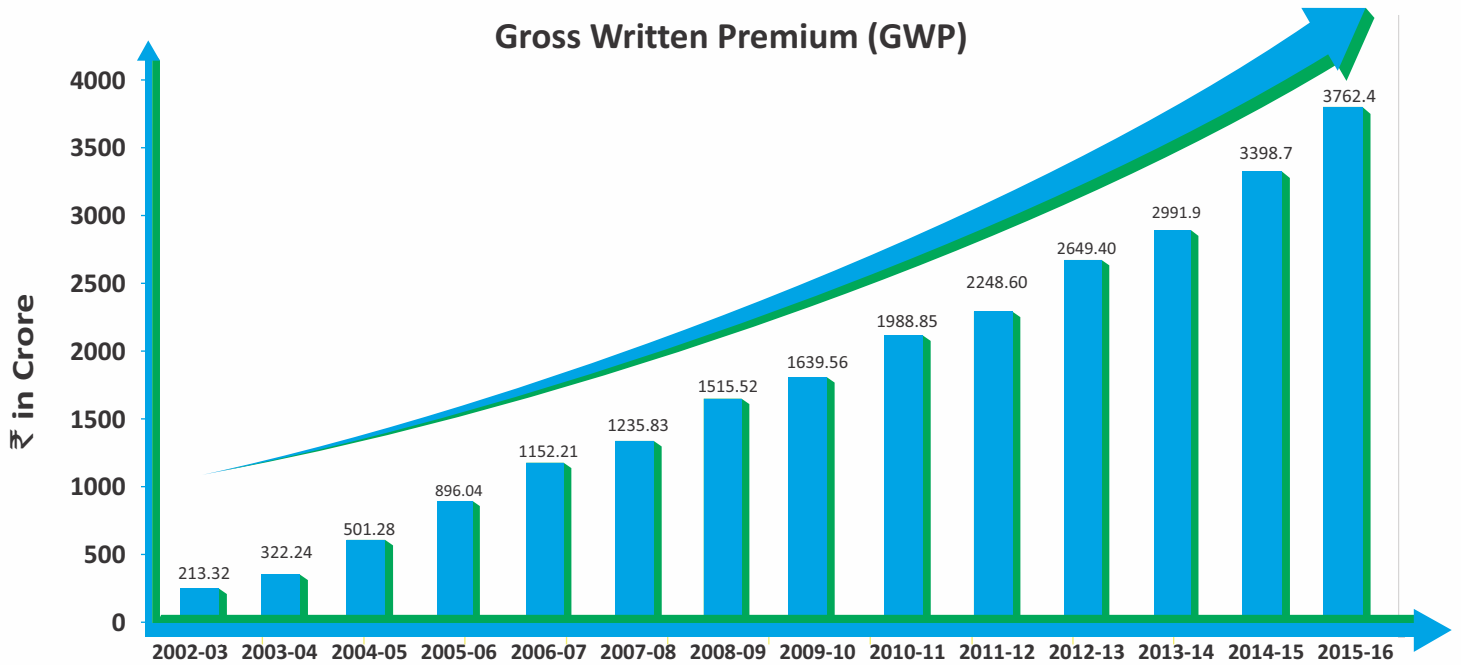
During the year, the Company recorded a Gross Written Premium income of **₹3,762.44 Crore** as against **₹3,398.67 Crore** achieved during previous financial year, thus registering a growth of **10.70%** over the previous year. The Profit Before Tax (PBT) for the year worked out to **₹239.93 Crore** compared with **₹302.10 Crore** earned in the previous year. The Profit After Tax (PAT) for the year works out to **₹167.08 Crore** against **₹206.01 Crore** in the previous financial year.

The highlights of the financial performance of the company are summarised as under:

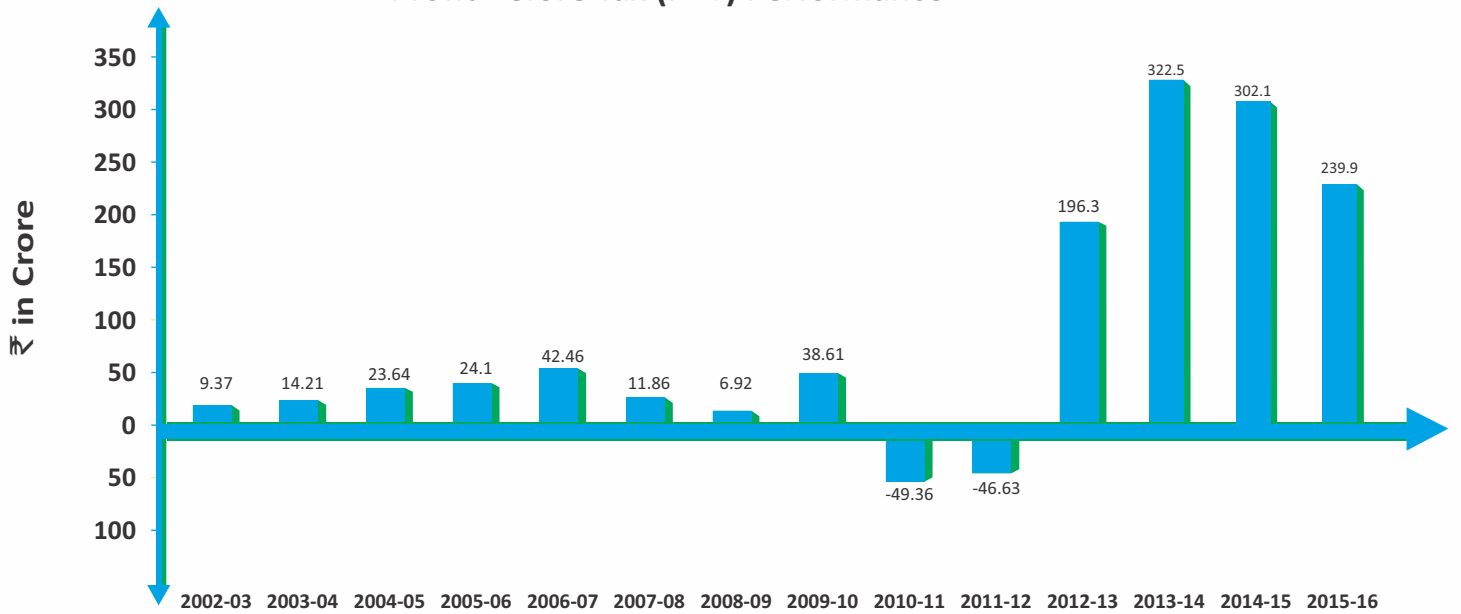
(₹ in Crores)

Particulars	2015-16	2014-15
Gross Written Premium	3,762.44	3,398.67
Less: Reinsurance Premium	803.33	807.17
Net Premium	2,959.11	2,591.50
Less: Adjustment for Changes in Reserve for Unexpired Risk	154.16	324.05
Earned Premium (A)	2,804.95	2,267.45
Commission Expenses – Net	49.54	37.07
Net Incurred Claims	2,219.67	1,681.53
Expenses of Management	729.11	618.33
Other Expenses	(1.03)	0.13
Total Underwriting Expenses (B)	2,997.29	2,337.06
Underwriting Profit/(Loss) (A) – (B)	(192.34)	(69.61)
Investment Income allocated to Revenue account	362.92	311.36
Operating Profit/(Loss)	170.58	241.75
Investment Income allocated to P & L A/C	69.49	58.03
Others Income/(Expenses)	(0.14)	2.32
Profit / (Loss) Before Tax	239.93	302.10

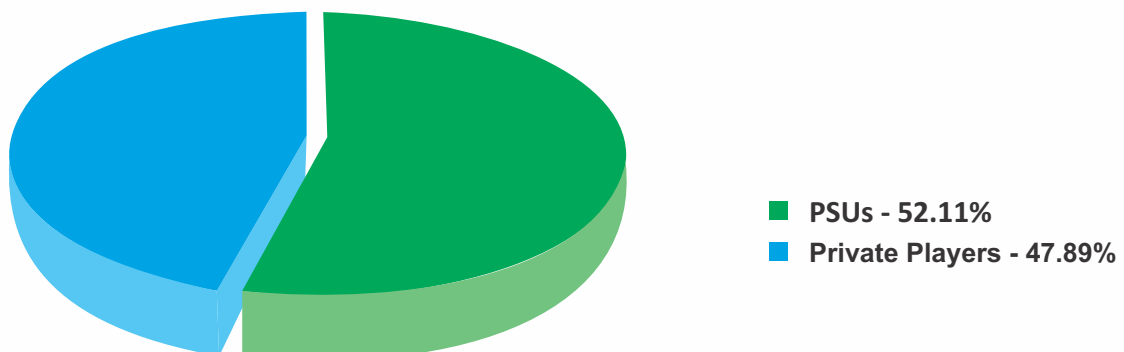
Gross Written Premium (GWP)



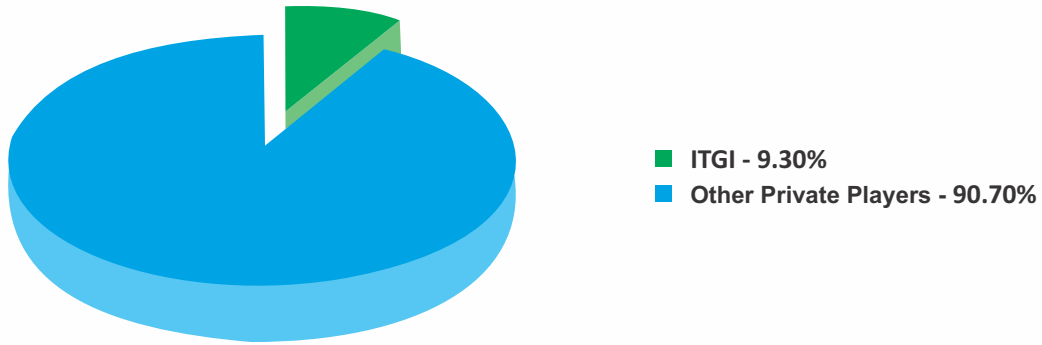
Profit Before Tax (PBT) Performance



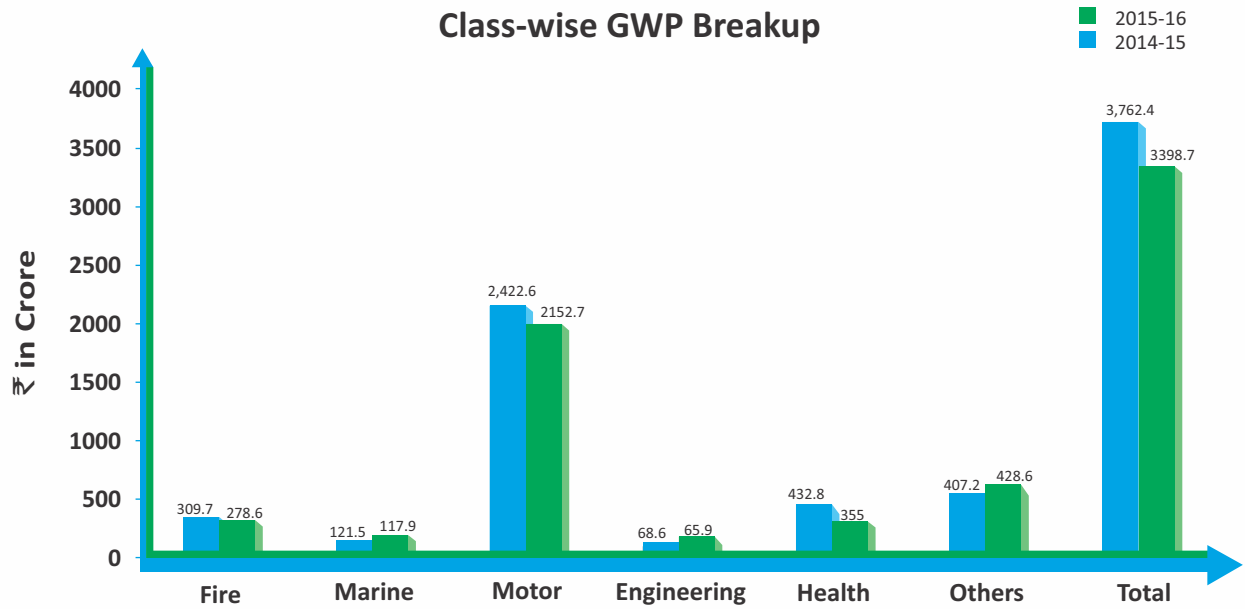
Market Share of Private Players



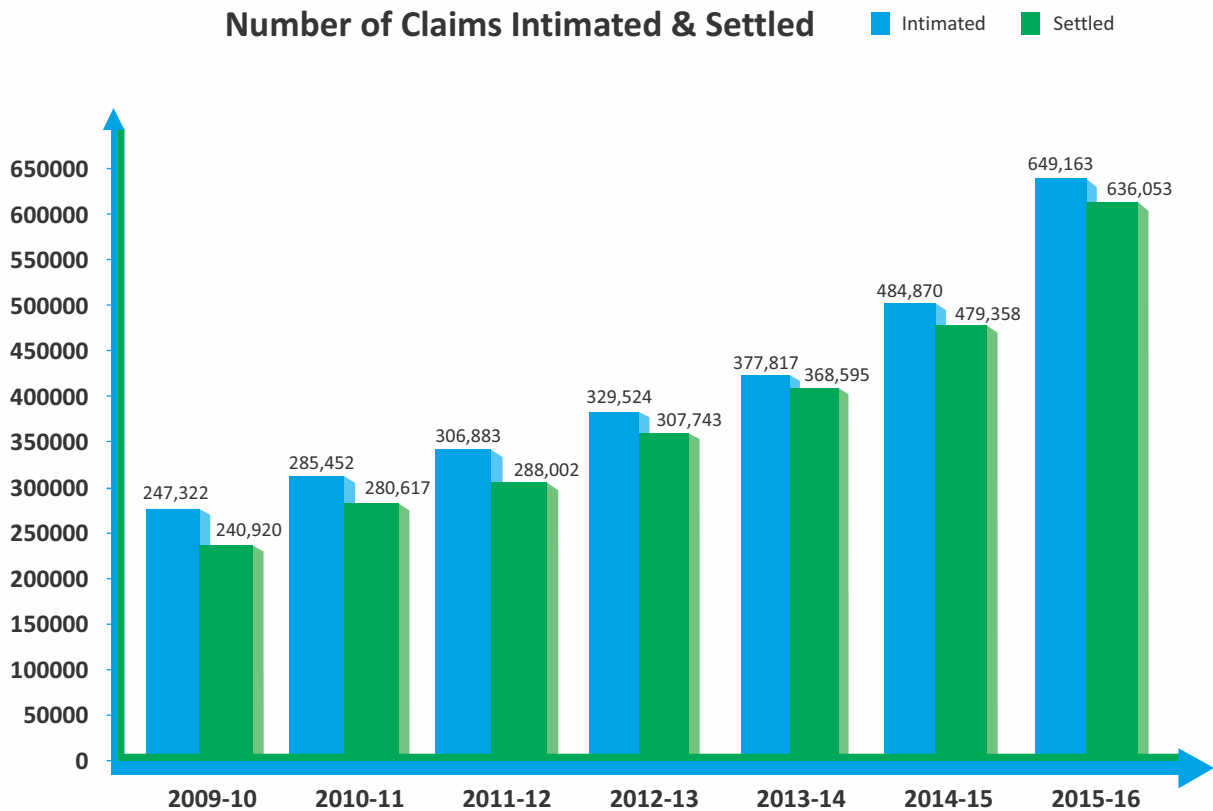
IFFCO-TOKIO Share Among Private Insurers



Class-wise GWP Breakup



Number of Claims Intimated & Settled



The decline in the profitability of the Company is attributable to increased claim outgo in motor own damage & health portfolios on account of adverse market conditions as also the catastrophic floods in Tamil Nadu, agitations in Haryana and unpredictable weather losses. The increased management expenses are in line with the increased premium achievements through lateral expansion of operations. Your company continued to pursue efforts to enhance retention of renewal business. Efforts to increase online sale of retail insurance policies have resulted in an increase of 60.05% of sales through the digital platform. During the year, your company has sold 67,56,878 policies and settled 6,36,053 claims.

Members are kindly aware that as per the regulatory requirement of declined motor standalone commercial third party pool, every insurer has to underwrite a minimum premium in accordance with the formula prescribed by IRDAI. During the year your Company had underwritten standalone commercial vehicle third party premium of ₹85.87 Crore as against the requirement of ₹115.85 Crore and as a result, the Company had to accept business amounting to ₹15.42 Crore from declined motor pool and also make a provision in the accounts of ₹23.77 Crore towards anticipated losses against these acceptances. IRDAI has w.e.f 1st April, 2016 dismantled the Indian Motor Third Party Declined Risk Pool for commercial vehicles.

SOLVENCY AND SHAREHOLDERS FUND:

The Solvency ratio of the Company as at 31st March, 2016 was 160% as against regulatory requirement of 150%.

The shareholder's fund as at 31st March, 2016 was ₹1,258.83 Crore as compared to ₹1,091.74 Crore as at 31st March, 2015.

DIVIDEND:

Your Directors propose to retain profits to meet the capital requirements arising out of future growth plan of the company and hence have not proposed payment of any dividend for the financial year 2015-16.

INVESTMENTS AND INVESTMENT INCOME:

The total investments of the Company as at 31st March, 2016 increased to ₹4,831.06 Crore as compared to ₹4,368.94 Crore as at 31st March, 2015. The distribution of investments of the company has been in compliance of limits prescribed in IRDAI Investment Regulations and Approved Investment

Policy of the Company. The investment portfolio of the company was regularly monitored in line with the duration of liabilities through Assets Liability Management Policy so as to ensure availability of funds at all times for settlement of obligations towards policyholders.

The investment income of the company for the year under review was ₹432.40 Crore with an average investment yield of 9.31% as against ₹369.42 Crore with yield of 9.26% in the previous year.

IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS (IND-AS) IN INSURANCE COMPANIES

IRDAI vide its order dated March 01, 2016 has issued directions for the implementation of the Indian Accounting Standards (Ind AS) as notified under the companies (Indian Accounting standards) Rules, 2015 for accounting period beginning from April 1, 2018 onwards. Ind AS implementation is likely to significantly impact the financial reporting systems and processes and would also have an impact on the financial position including adequacy of capital taking into account the solvency regulations requirement. From July 2016 onwards, IRDAI shall be issuing necessary instructions/guidance/clarifications in this regard to facilitate the implementation process. Your company proposes to immediately set up a steering committee to initiate the implementation process and work out the impact analysis of the difference between the current accounting framework and Ind AS impacting the financials, systems and processes requiring changes and the impact on solvency.

REINSURANCE:

The Company's reinsurance treaties for the year 2016-17 led by General Insurance Corporation of India were successfully placed with other best rated reinsurers on a 100% basis in line with the guidelines laid down by the IRDAI and reinsurance programme approved by the Board. The reinsurance programme has helped the company in containing the impact of large losses and those arising out of catastrophe events, on the bottom line of the Company. The reinsurance treaties for the year 2016-17 have also been placed by the company before commencement of the financial year.

IFFCO-TOKIO INSURANCE SERVICES LIMITED – A WHOLLY OWNED SUBSIDIARY

IFFCO-TOKIO Insurance Services Limited (ITIS), the Wholly Owned Subsidiary of IFFCO-TOKIO, has taken forward the mission of the Company to increase its penetration and presence into rural area through its Lateral Spread Centres and Bima Kendras. The ITIS has

on its roll over 1756 trained persons comprising of employees and trainees who rendered services to IFFCO-TOKIO customers both in Urban and Rural areas.

During the year, the ITIS sourced a premium of ₹143.0 Crore as against ₹142.6 Crore in 2014-15 and serviced a premium valuing ₹1,340.4 Crore as against ₹1,117.5 Crore in 2014-15 and earned a pre-tax profit of ₹0.29 Crore as against ₹0.28 Crore in 2014-15. As required under Section 129 (3) of the Companies Act, 2013, a separate Statement in prescribed form AOC-1 containing the salient features of the Financial Statements of IFFCO-TOKIO Insurance Services Ltd., a Wholly Owned Subsidiary of the Company, is enclosed as Annexure to the Financial Statements of the Company.

MARKETING:

During the year under review, the market competition intensified further and as a result the premium rates dropped below viability both in commercial and retail segment. The industry growth remained stagnant in commercial line of business. In this market environment, your Company maintained its cautious approach in underwriting traditional commercial lines of business and concentrated on some niche market viz; Liability, Credit and Jeweller's insurance. To drive growth, the Company focused on retail segment more specially on various low cost retail products distribution by strengthening Direct, Agency and Cooperatives Channels. With an aim to increase penetration into rural areas, in line with the vision of the promoters to service farmers and rural masses, during the year, the Company developed a network of micro agents to market rural products. The participation of the Company in Government Sponsored Health Schemes for BPL section of the population and Weather Insurance Schemes for marginal farmers remained limited in view of revision in the scheme by the Central Government.

On the retail front, your Company had taken a number of initiatives to push premium growth and the same have yielded encouraging results. During the year, the Company took various measures to increase growth in Agency Channel and initiatives for recruitment, retention and recognition of agents yielded encouraging results and performance of the channel enhanced considerably registering the overall YOY growth in agency business from around 16% in 2014-15 to about 20.6% in 2015-16. Similarly the premium growth from Cooperative Bank channel also registered a growth of 19.8% in 2015-16.

On the product front the Motor and Health segments registered a growth of 12.5% and 43.9% respectively over the previous year.

The above initiatives have resulted in your company showing the growth of 10.7% over the previous year. With market share of 4.03%, the Company continued its 3rd rank amongst private sector companies.

RURAL BUSINESS:

Keeping farmers and rural populace in mind, IFFCO-TOKIO over a period had launched many insurance products like Sankat Haran Bima Yojna, Janta Suraksha Bima Yojna, Jan Sewa Bima Yojna, Mahila Suraksha Bima Yojna, Fasal Bima Yojna, Pashu Dhan Bima Yojna etc. and provided timely support through insurance claims. The Company also participated in the Weather Based Crop Insurance Scheme (WBCIS) of Government of India in notified districts to ensure the farmers against loss of productivity due to adverse weather conditions and Government Sponsored Health Schemes like Rashtriya Swasthya Bima Yojna (RSBY) to extend Health Insurance to Below Poverty Line (BPL) families. In order to increase its penetration into rural markets and deliver insurance at the doorstep of the rural populace, IFFCO-TOKIO is working aggressively to sell its specialised products through IFFCO cooperatives network and Government sponsored E-Governance agency "CSC-SPV".

The unique policy 'Sankat Haran Bima Yojna' which is linked to the purchase of fertiliser bags from the Co-operative Society and sponsored by IFFCO has entered into its 16th year. The Sankat Haran Bima Yojna has covered approximately 155.34 Lakhs farmers and disbursed about ₹95.29 Crore of in claims since its launch in September, 2001.

During the year, the Company has underwritten rural business amounting to ₹410.42 Crore which is 11.2% of the Gross Direct Premium and covered 34.23 Lakhs lives as against the obligation of 7.0% of Gross Direct Premium and 55 Thousand lives.

CUSTOMER SERVICE:

Keeping Customer at the centre of mind, the Company during the year has taken forward 'One Company' concept. Under the concept the Company has planned to initiate projects for uniform delivery of customer service to all customers across the organisation. As a first step, the Company successfully implemented centralised printing and delivery of retail Health policies during the year. The Company

plan to take this initiative forward and include other standardised retail policies. The Company Customer Service Centres in Mumbai, Kolkata, Vadodara, Bangalore, Delhi (NCR), Delhi (North), Chennai, and Bhopal also 9 satellite centres at Pune, Nasik, Ahmedabad, Secunderabad, Coimbatore, Kochi, Jaipur, Chandigarh and Bhubaneswar for settlement of motor own damage claims, settled 353,349 claims in 2015-16 and achieved a claim settlement ratio of 101.34% of intimated claims. The Company has settled 2,14,442 Health Claims during the year and achieved a claim settlement ratio of 89.85% of intimated claims.

During the year, Motor Third Party Claims settlement exceeded the number of intimated claims in succession and as a result number of outstanding Motor Third Party Claims as at 31st March, 2016 have come down significantly as compared to the number of outstanding claims as at 31st March, 2015. The Company intends to continue similar efforts during the current year and strengthen this vertical to achieve higher results.

During the year, In and Out bound call centre services has been strengthened to enhance reach of customer and intermediaries to the company. Our toll free 24X7 In-bound call centre services have facilitated customers and business partners in lodging claims and other service requests whereas enhanced out bound call centre services have facilitated customers in timely renewal of their existing policies. Integrated Grievances Management System facilitated (IGMS) the policyholders to register and track their complaints on line. The IGMS also enabled IRDAI in monitoring the Grievances Redressal Procedure established by the Company. Policyholders Protection committee continued to review the customer grievances, their timely resolution and also suggested the company various measure to minimise customer dissatisfaction and grievances.

HUMAN RESOURCE DEVELOPMENT

Human resource is an invaluable asset of your organisation. Suitable strategies along with vertical concept in Marketing were successfully evolved and implemented during the year to achieve the vision of the Company viz. to be the industry leader by building customer satisfaction through fairness, transparency and quick response. The incentives schemes are linked to employees own performance as well as performance of the Company. The employees of the Company rendered their full cooperation and support to the management.

During the year under report, 43 training programs covering functional and behavioural areas were conducted and total 837 employees at various levels were exposed to various training programs.

INFORMATION TECHNOLOGY:

Information Technology is the backbone of the company's services. During the year, the Company has strived to enhance its IT Infrastructure and improve Customer experience by upgrading the Front line Business Applications. With an eye on the increased Business volume in the Festival season, the IT Infrastructure was strengthened by introducing the latest state of the art Flash Storage and Power 8 IBM Servers. This has resulted in uninterrupted operation of Systems leading to record issuance of retail policies in the months of Oct-Nov 2015. The Point of Sale Software- Siebel CRM has been upgraded to the latest version thus enabling Business users to use the Application from any Modern Web Browser on the Desktop, Laptop, Tablet or Mobile. The Company is also working on development of Mobile apps for servicing its Intermediaries and end-customers in quick redressal of individual Claims. Study is simultaneously being carried out to modernise the Core Application Software by providing simplified and enriched Graphical User interface to the Business users. The ultimate goal is to leverage the available technology in innovation of business processes to cater to the growing business needs of the Company.

BUSINESS PLAN 2016-17:

In line with the performance of the year under report and also current economic and industry scenario, business plan 2016-17 of the company, aims to achieve Gross Written Premium target of ₹4115.0 Crore. The business plan is focused mainly on growth in retail line of business and mobilising low cost channels like individual agents, cooperatives, etc.

Members are kindly aware that with a modest beginning in 2001, the Company has consistently grown to achieve gross written premium of ₹3762.4 Crore in 2015-16 and has planned to continue to grow in future also. In the plan period 2016-17, the company will take up upgrading of its IT systems and improve existing business processes. The Company during the year will also bring its focus on IT system on Mobile technology. These changes will enable company in creating ease in doing business with the business intermediaries by eliminating redundant processes, enhancing information sharing and developing enablers to improve services to customers. It is felt that these initiatives will work as catalyst in meeting out long term plans of the

company. In line with the mission of our promoters to protect farmers and rural masses, the Company will expand its rural base through its subsidiary, IFFCO-TOKIO Insurance Services Ltd. and sell specially customised low price products suitable to their needs.

EXTRACTS OF ANNUAL RETURN:

Pursuant to the Provisions of Section 92(3) read with Rule 11 of the Companies (Management and Administration) Rules, 2014 the extract of Annual Return in the prescribed Form MGT 9 is enclosed as **Appendix I** to the report.

CORPORATE GOVERNANCE

Your Company believes that good Corporate Governance holds balance between social and commercial goals. It instils essential vision and structures to make decisions that ensure long term sustainability. It has been the endeavour of your company to adopt systems and procedures which would strengthen good corporate governance, transparency, accountability and full disclosure of information to its shareholders and other stakeholders.

The Guidelines on Corporate Governance issued by IRDAI for the Insurance sector were implemented by the Company in letter and spirit. The Code of Business Conduct and Ethics for Board Members and Senior Management, Whistle Blower Policy, Constitution of Risk Management Committee, Policy Holders Protection Committee, Investment Committee and Audit Committee, Appointment of Independent Directors and conduct of meetings of Board of Directors etc. are fully implemented by the Company.

A Report on Corporate Governance pursuant to IRDAI Guidelines is placed at **Annexure A**.

ENTERPRISE RISK MANAGEMENT AND RISK MANAGEMENT POLICY:

Your Company has a comprehensive Risk Management Framework in place to ensure that all the material risk(s) that may affect the Company are identified, assessed, and monitored periodically and the same are reported to the Management in structured manner. In addition to normal Enterprise Risks, your Company, being in general insurance industry, is exposed to various other risks including the risk of loss due to inadequate pricing, reserving or inadequate reinsurance protection. To effectively mitigate these risks, the Company has laid down the following controls and mitigation measures:

- Risks are underwritten based on underwriting guidelines after thorough analysis to enable that the proper price is charged from proposer.
- Reinsurance program is designed to ensure optimal protection from financially sound reinsurers.
- Risk Management Committee comprising of Chief Risk Officer and other Senior Executives of the Company meet regularly to identify and assess various Business and other Enterprise risks as well as to suggest and monitor the mitigation measures taken up by the management.
- The Risk Management Committee also continuously review the investments, reinsurance securities, loss reserving and solvency ratio to ensure financial stability of the company.
- Business Continuity Plan is being reviewed from time to time and mock drills for measuring the effectiveness of the same are being conducted on regular basis.

BOARD OF DIRECTORS

Meetings:

During the year 2015-16, five meetings of Board of Directors of the Company were held on 7th April' 2015, 5th May' 2015, 25th August' 2015, 6th November' 2015 and 12th January' 2016.

Changes in the Composition of the Board:

During the year 2015-16, Mr. S. K. Kanwar and Mr. Bahushrut Lugani have completed their term as Independent Directors of the Company with effect from last Annual General Meeting of the Company held on 17th June, 2015. Your Company has appointed Mr. Sudhakar Rao and Mr. Ashwani Kumar as Independent Directors of the Company for a period of three years with effect from 7th April, 2015. During the year, one of the Directors of your Company, Mr. Ichiro Maeda, Director (Operations) resigned from the directorship with effect from 30th May, 2015. Your Directors place on record their appreciation for the valuable services rendered by Mr. S. K. Kanwar, Mr. Bahushrut Lugani and Mr. Ichiro Maeda during their tenure as Directors of the Company.

During the year 2015-16, Mr. Hiroshi Yasui, Nominee of Tokio Marine, has been appointed as Whole time

Director [designated as Director (Operations)] of the Company for a period of three years with effect from 1st June, 2015. Your Company has also reappointed Mr. H. O. Suri as Whole time Director of the Company [designated as Director (Marketing)] for a further period of three years with effect from 1st November, 2015. Similarly, the term of appointment of Mr. Yogesh Lohiya as Managing Director and CEO of the Company has also extended by the Company for a period of one year with effect from 15th February, 2016. IRDAI has accorded its approval for all the three above-said appointment/re-appointment(s).

Declaration by the Directors

Your Company has received declarations from all the Directors confirming that they are not disqualified from being appointed as directors under the provisions of Section 164 of the Companies Act, 2013.

Your Company has also received declarations from all Independent Directors confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Retirement by Rotation

In accordance with the provisions contained in Articles 102, 103 and 104 of the Articles of Association of your Company and applicable relevant provisions of the Companies Act, 2013, Mr. Lee King Chi Arthur, Vice Chairman and Dr. U. S. Awasthi, Director shall retire by rotation at the ensuing Annual General Meeting and are eligible for reappointment.

STATUTORY AUDITORS & THEIR REPORT

M/s S. K. Mehta & Co. and M/s S. K. Mittal & Co. were appointed as Joint Statutory Auditors of your Company for the financial year 2015-16 and they will continue in the office till the conclusion of the ensuing Annual General Meeting. M/s S. K. Mehta & Co., Chartered Accountants is completing their tenure of five years and would not be eligible for reappointment under the IRDAI guidelines.

The Company has received a communication from M/s S. K. Mittal & Co. confirming their willingness to accept the audit of the Company in the event of their reappointment. The Company has also received a communication from M/s J. C. Bhalla & Co. Chartered Accountants, confirming their willingness to accept the audit of the Company in the event of their appointment against the vacancy created by outgoing Auditors M/s S. K. Mehta & Co. Chartered Accountants. Both M/s S. K. Mittal & Co. and M/s J. C.

Bhalla & Co. have confirmed that their appointment, if made, will be in accordance with the limits specified under Section 139(1) of the Companies Act, 2013 and they fulfil the eligibility criteria specified under Section 141 of the Companies Act and IRDAI Regulations/guidelines for appointment of Statutory Auditors.

The Report of the Joint Statutory Auditors to the Shareholders of the Company is annexed to the financial statements for the year ended 31st March, 2016. There is no specific qualification, reservation or adverse remarks in the Report of the Joint Statutory Auditors which require clarification.

SECRETARIAL AUDITOR'S REPORT

In accordance of the provisions Section 204 of the Companies Act, 2013 read with Section 134(3) of the Companies Act, 2013, Board had appointed Mr. P. S. R. Murthy as Secretarial Auditor of the Company to conduct the Secretarial Audit for the financial year 2015-16. Secretarial Audit Report in the prescribed form MR 3 is enclosed at **Annexure B**.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR is the way of conducting business, by which corporate visibly contribute to the social good. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. Your Directors believe that fulfilment of CSR obligation may be used to integrate economic, environmental and social objectives with the company's operations and growth.

During the year, Board upon the recommendations of the CSR Committee of Directors has approved the revised CSR Policy of the Company incorporating new focus areas of CSR. The CSR Policy of the Company inter alia specifies the broad areas of CSR activities that will be taken up by the Company and includes CSR Implementing Strategy, Governance & Monitoring Mechanism and Reporting Methodology and Impact Analysis etc. The CSR Policy of the Company is available on the website of the Company- www.iffcotokio.co.in.

On the recommendations of CSR Committee of Directors, Board of Directors allocated a sum of ₹5,16,18,852/- (being 2% of average Profits for the last three financial years) towards CSR Plan to be implemented during the year 2015-16. In addition to this amount, a sum of ₹2,91,88,668/- being the unspent CSR amount for the FY 2014-15 were also

carried forward and allocated towards CSR Plan of FY 2015-16. Therefore, on the recommendation of CSR Committee of Directors, a total amount of ₹8,08,07,520/- were allocated by the Board for the CSR Plan of FY 2015-16.

Keeping in view the large corpus available for the CSR activities, Company has decided to take a long term view of its CSR initiatives so that the efforts of the Company have sustainable impact on the lives of the people it is intending to reach out. Out of the total CSR Allocations of ₹8,08,07,520/-, a sum of ₹6,27,66,744/- were allocated towards Integrated Rural Development Project to be implemented in the three villages each in the state of Rajasthan and Odisha through Indian Farms & Forestry Development Cooperatives Ltd. (IFFDC). This project is spread over three financial years and shall be completed by the end of March, 2018.

As your Company had undertaken a long term project which is spread over a period of three years and is likely to complete by March, 2018, during the year 2015-16 Company has disbursed a sum of ₹2,74,14,255/- as against the total allocations of ₹8,08,07,520/- towards CSR. Your Company has already allocated the unspent CSR amount for its Integrated Rural Development Project and is committed to spend the same as per CSR Plan during Project Period till March, 2018.

As required under the Companies Act, 2013 and CSR Rules, 2014, CSR Annual Report of the Company containing the brief outline of the CSR Policy, the details of the specified amount allocated for CSR Activities during the Financial Year 2015-16 and the unspent amount including the reasons thereof is enclosed in prescribed format as per **Annexure C**.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

On the recommendations of Nomination & Remuneration Committee of Directors, the Board has approved Policy on 'Appointment and Selection of Directors and members of Senior Management and criteria for determining Directors' Independence (Appointment & Selection Policy)' and Policy on Remuneration of Directors, Key Managerial Personnel and other Employees (Remuneration Policy). Brief extracts of the above mentioned Policies are enclosed as **Appendix II** to this report.

ANNUAL EVALUATION OF BOARD, COMMITTEES AND DIRECTORS' PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance and the performance of its Committees and Independent Directors. Similarly, the annual performance evaluation of every Director was also carried out by the Nomination & Remuneration Committee. The Independent Directors of the Company also evaluated the performance of the Board as a whole, its Chairman and other Non Independent Directors. Independent Directors also assessed the quality, quantity and flow of information to the Board. The Annual Performance Evaluation for the FY 2015-16, as mentioned above, carried out by the Board, N&R Committee and Independent Directors respectively at their separate meetings held on 9th May, 2016.

The evaluation of performance of the Board, its Committees and Directors etc. was carried out on the basis of various parameters including qualification, experience, quality, personal attributes, participation, contribution to the Board, preparedness, strengths etc.

AUDIT COMMITTEE

The Audit Committee of Directors comprises of Mr. Ashwani Kumar, Mrs. Mira Mehrishi, and Mr. Sudhakar Rao, Independent Directors and Mr. Rakesh Kapur and Dr. P. S. Gahlaut, Non-Executive Directors. Mr. Ashwani Kumar, Independent Director is the Chairman of the Committee. All the members of the Committee have adequate qualifications to fulfil their duties stipulated under the Companies Act, 2013. The Members of the Audit Committee met four times during the Financial Year 2015-16.

INFORMATION UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is placed at **Annexure D**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

As your Company does not carry out any manufacturing activity, the provisions with regard to disclosure of particulars regarding Conservation of Energy and Technology absorption are not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars of Foreign Exchange earnings/outgo during the year 2015-16 as required under the Companies Act, 2013 are given below.

Earnings: ₹8,694.67 Lakhs (Previous year ₹4,966.28 lakhs)

Outgo: ₹23,704.85 Lakhs (Previous year ₹23,931.05 Lakhs)

PUBLIC DEPOSITS

The Company has not accepted any Public Deposits during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

In terms of provisions of Section 186(11) of the Companies Act, 2013, as amended by the Companies (Removal of Difficulties) Order, 2015 dated 13th February, 2015, the provisions of Section 186 except sub section (1) are not applicable to the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

Under Section 188(1) read with Rule 8(2) of the Companies (Accounts) Rules, 2014 the disclosure of the details of contracts or arrangements entered by the Company with the Related Parties during the Financial Year 2015 -16 in the prescribed Form AOC 2 is enclosed at **Annexure E**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS

There were no significant or material orders passed by the regulators, courts or tribunals which would impact the going concern status of the Company or its future operations.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION:

There were no material changes and commitments, affecting the financial position of the Company between 31st March, 2016 and the date of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such 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;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the annual accounts have been prepared on a going concern basis;
- v. The Directors had devised proper system to ensure Compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors express their gratitude to all customers of the Company for their valuable patronage, and to shareholders, the Insurance Regulatory & Development Authority of India, General Insurance Council, General Insurance Corporation of India, Reinsurers and other statutory authorities for their continued support and guidance. We place on record sincere thanks to its statutory Auditors, Bankers, Insurance Agents, Brokers and other constituents for their continued support.

Your Directors also express their sincere appreciation for the unstinted support rendered by the employees of the Company at all levels for their hard work, dedication and commitment.

For and on behalf of the Board

K. SRINIVASA GOWDA
CHAIRMAN

Place: New Delhi
Date: 9th May, 2016

REPORT ON CORPORATE GOVERNANCE

IFFCO-TOKIO's Corporate Governance Guidelines harmonise governance principles and procedures. We follow the Corporate Governance guidelines as specified by IRDAI which are as under:

1.0. Corporate Governance Practices

The Company believes that Corporate Governance is a commitment to conduct business in a fair, transparent and complying of applicable laws, rules, regulations, circulars etc. IFFCO-TOKIO believes that sound Corporate Governance practices are essential for healthy growth of business and to repose confidence in all interested parties. The Company has placed adequate corporate governance practices for improving long term values. The corporate governance philosophy of IFFCO-TOKIO has been further strengthened with the formulation of Code of Conduct for Management, Whistle Blower Policy, Online Grievance Redressal system and implementation of Public Disclosure Policies. The Company has also set up mandatory committees as prescribed in the Corporate Governance Guidelines. The Company, through its Board and Committees, endeavours to strike and deliver the highest governing standards for the benefit of its stakeholders.

2.0. Composition of the Board of Directors

The Company has appointed independent Directors on the Board and Board of the Company consists of both Executive and Non-Executive Directors. The Company has three functional Directors including the Managing Director. All the Members of the Board have executed Deed of Covenants as prescribed in the Guidelines.

3.0. Guidelines for Committees of the Board

The Company has set up mandatory Committees of the Board. The Committees of the Board meet at frequent intervals as per the Guidelines prescribed for holding such meetings. The Company Secretary ensures that the meetings of the Shareholders, Board of Directors and Committees of the Board are held as per the time frame and the minutes of such meetings are properly recorded.

4.0 Board of Directors Meetings

The details of Meetings of the Board of Directors of the Company held during the year 2015-16 are as under:

S. No.	Date	Board Strength	No. of Directors Present
1	7 th April, 2015	14	13
2	5 th May, 2015	14	12
3	25 th August, 2015	12	11
4	6 th November, 2015	12	12
5	12 th January, 2016	12	12

The names of the Directors and their attendance at the Board Meetings held during the financial year 2015-16 are as under:

S. No.	Name of the Director(s)	Qualification	Field of Specialisation	Status of Directorship	No. of Meetings Held	No. of Meetings Attended
1.	Mr. K. Srinivasa Gowda	B.Sc.	Agriculture	Chairman	5	5
2.	Mr. Lee King Chi-Arthur	Bachelor degree of Arts and Juris doctorate	Legal	Vice Chairman	5	5
3.	Mr. Balvinder Singh Nakai	Graduate	Agriculture	Director	5	5
4.	Dr. U. S. Awasthi	Ph.D. and Graduate in Chemical Engineering	Management	Director	5	5
5.	Mr. Rakesh Kapur	B. Tech (Mechanical)	Finance	Director	5	5
6.	Dr. P. S. Gahlaut	Ph.D., B.Sc. (Hons.)	Business Management	Director	5	4
7.	Mr. Bahushrut Lugani (*)	C.A., B.Sc.	Finance	Independent Director	5	2
8.	Mr. S. K. Kanwar (*)	Graduate	Insurance	Independent Director	5	1
9.	Mrs. Mira Mehrishi	Master's degree in Business Administration	Management & Administration	Independent Director	5	4
10.	Mr. Sudhakar Rao (**)	M.A. (Economics)	Management & Administration	Independent Director	5	5
11.	Mr. Ashwani Kumar (**)	FCA ,B.Com	Finance	Independent Director	5	5
12.	Mr. Yogesh Lohiya	B.E. All from Insurance Institute of India, Diploma (Business Management) of AIMA	Insurance	Managing Director & CEO	5	5
13.	Mr. Ichiro Maeda (***)	Commerce Graduate	Insurance	Director (Operations)	5	2
14.	Mr. H. O. Suri	FCA ,B.Com (Hons.)	Marketing	Director (Marketing)	5	5
15.	Mr. Hiroshi Yasui (****)	B.A.	Business Operations & Internal Controls	Director (Operations)	5	2

Note (*) : Mr. S. K. Kanwar and Mr. Bahushrut Lugani have completed their term as Independent Directors and ceased to be Directors on the Board of the Company with effect from 17th June, 2015.

(**) : Mr. Sudhakar Rao and Mr. Ashwani Kumar were appointed as Independent Directors of the Company with effect from 7th April, 2015.

(***) : Mr. Ichiro Maeda resigned from the office of Director (Operations) of the Company with effect from 30th May, 2015.

(****) : Mr. Hiroshi Yasui was appointed as Director (Operations) of the Company with effect from 1st June, 2015.

5.0. Committee Meetings of the Board of Directors

The details of the Committee Meetings of the Board of Directors held during the financial year 2015-16 are as under.

(A) Investment Committee

The details of Meetings of the Investment Committee held during the year are as under:

S. No.	Date	Strength	No. of Directors/Members Present
1	5 th May, 2015	8	7
2	25 th August, 2015	7	7
3	5 th November, 2015	7	7
4	12 th January, 2016	8	8

The names of the Directors and other Members present at the Investment Committee Meetings held during the financial year 2015-16 and their attendance is as under:

S. No.	Name of the Member(s)	Status of Directorship	No. of Meetings Held	No. of Meetings Attended
1	Dr. U. S. Awasthi	Chairman	4	4
2	Mr. Rakesh Kapur	Member	4	4
3	Mr. Yogesh Lohiya	Member	4	4
4	Dr. P. S. Gahlaut	Member	4	3
5	Mr. M. K. Tandon (*)	Financial Advisor	4	2
6	Mr. Harbhajan Singh (**)	Financial Advisor	4	1
7	Mr. H. O. Suri	Chief Investment Officer	4	4
8	Mr. Sanjeev Chopra	Chief Finance Officer	4	4
9	Mr. Khushwant Pahwa	Appointed Actuary	4	3

(*) Mr. M. K. Tandon, Financial Advisor of the Company retired from the office on 31st July, 2015.

(**) Mr. Harbhajan Singh, Financial Advisor of the Company was nominated as member of the Investment committee with effect from 25th August, 2015.

(B) Audit Committee

The details of Meetings of the Audit Committee held during the year 2015-16 are as under:

S. No.	Date	Strength	No. of Directors/Members Present
1	30 th April, 2015	5	5
2	24 th August, 2015	5	5
3	5 th November, 2015	5	5
4	11 th January, 2016	5	5

The names of the Directors and other Members present at the Audit Committee Meetings held during the financial year 2015-16 and their attendance is as under:

S. No.	Name of the Member(s)	Status of Directorship	No. of Meetings Held	No. of Meetings Attended
1	Mr. Ashwani Kumar	Chairman	4	4
2	Mrs. Mira Mehrishi	Member	4	4
3	Mr. Sudhakar Rao	Member	4	4
4	Mr. Rakesh Kapur	Member	4	4
5	Dr. P. S. Gahlaut	Member	4	4

(C) Risk Management Committee

The details of Meetings of the Risk Management Committee held during the year are as under.

S. No.	Date	Strength	No. of Directors/Members Present
1	7 th July, 2015	4	4
2	2 nd November, 2015	4	4
3	29 th February, 2016	4	4
4	23 rd March, 2016	4	4

The names of the Directors and other Members present at the Risk Management Committee Meetings held during the financial year 2015-16 and their attendance is as under:

S. No.	Name of the Member(s)	Status	No. of Meetings Held	No. of Meetings Attended
1	Mr. Hiroshi Yasui	Chairman / Chief Risk Officer	4	4
2	Mr. Sanjay Seth	Member	4	4
3	Mr. Sanjeev Chopra	Member	4	4
4	Mr. Amit Jain	Member	4	4

(D) Policyholders Protection Committee

The details of Meetings of the Policy Holders Protection Committee held during the year are as under:

S. No.	Date	Strength	No. of Directors/Members Present
1	15 th May, 2015	3	3
2	14 th September, 2015	3	3
3	14 th December, 2015	3	3
4	10 th March, 2016	3	3

The names of the Directors and other Members present at the Policy holders Protection Committee Meetings held during the financial year 2015-16 and their attendance is as under:

S. No.	Name of the Member(s)	Status	No. of Meetings Held	No. of Meetings Attended
1	Mr. H. O. Suri	Chairman/Member	4	4
2	Mr. Parag Gupta(*)	EVP/Head (Commercial)	4	1
3	Mr. V. Rajaraman(*)	EVP/Head (Commercial)	4	3
4.	Mr. R. Kannan	EVP/Head (Retail Marketing)	4	2

(*) Mr. V. Rajaraman has been co-opted as member of the Committee in place of Mr. Parag Gupta with effect from 14th September, 2015.

(E) CSR Committee

The details of Meetings of the CSR Committee held during the year are as under:

S. No.	Date	Strength	No. of Directors/Members Present
1	24 th August 2015	4	4
2	29 th March, 2016	4	4

The names of the Directors and other Members present at the CSR Committee Meetings held during the financial year 2015-16 and their attendance is as under:

S. No.	Name of the Member(s)	Status	No. of Meetings Held	No. of Meetings Attended
1	Mrs. Mira Mehrishi	Chairperson	2	2
2	Mr. Yogesh Lohiya	Member	2	2
3	Mr. H. O. Suri	Member	2	2
4	Mr. Hiroshi Yasui	Member	2	2

(F) Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors had constituted a Nomination and Remuneration Committee comprising of three Independent Directors namely Mr. Sudhakar Rao, Mrs. Mira Mehrishi, Mr. Ashwani Kumar, and three Non-Executive Directors namely Mr. K. Srinivasa Gowda, Mr. Lee King Chi Arthur and Dr. U. S. Awasthi, Mr. Sudhakar Rao, Independent Director is Chairman of the Committee. During the financial year 2015-16, two meetings of Nomination & Remuneration Committee were held on 25th August, 2015 and 12th January, 2016 which were attended by the all members of the Committee.

(G) Executive Committee

In accordance with the provisions contained in the Articles of Association of the Company, the Company had constituted, an Executive Committee which is in operation since the inception of the Company. The Committee is primarily responsible for finalisation of Business Plan, Annual Budgets, review of operations, review of performance of personnel, HRD issues, etc. During the financial year 2015-16, Eight Executive Committee Meetings were held by the Company.

7.0 Separate Meeting of Independent Directors

For the evaluation of the performance of Executive Directors, Non Executive Directors and Chairman of the Company during the Financial Year 2015 -16, Independent Directors meeting was held on 9th May, 2016 which was attended by Mrs. Mira Mehrishi, Mr. Sudhakar Rao and Mr. Ashwani Kumar, Independent Directors. During the meeting Independent Directors evaluated the performance of Executive Directors, Non-Executive Directors and Chairman. Independent Directors also evaluated the performance of Board as a whole and also assessed the quality, quantity and timeliness of the flow of information to the Board.

8.0 Code of Business Conduct and Ethics

The Company promotes ethical behavior in all its business activities. The Board of Directors approved Code of Business conduct and Ethics for Board Members and Senior Management personnel of the Company. The code of Business conduct and ethics provides prevention of insider trading, access to confidential information, protection of company's properties, conflict of interests, information to be placed before Board etc. The Code also provides the role of Compliance officer and other senior management.

9.0 Whistle Blower Policy

The Whistle Blower Policy formulated by the Company provides an opportunity to employees to have access, in good faith, to the Chairman of the Company in case they observe any unethical and improper practices or wrongful conduct in the Company. The Board of Directors formulated the whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct. The Policy provides maintenance of confidentiality of data, procedure for reporting improper and unethical practices etc.

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

The Company has in place 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. During the year under review, the Company has not received any complaint.

11.0 Compliance certificate of the Company Secretary.

Certificate from the Company Secretary confirming compliances as stipulated under the Guidelines is attached to the Directors' Report forming part of the Annual Report as per **Annexure I**.

Annexure I of 'A'

Certification for Compliance of the Corporate Governance Guidelines

I, Amit Jain, Company Secretary & Chief Compliance Officer hereby certify that the Company has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed during the period under report.

Place: New Delhi
Date: 9th May, 2016

(Amit Jain)
Company Secretary &
Chief Compliance Officer

19th April, 2016

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
IFFCO-TOKIO General Insurance Company Limited,
C-1, District Centre, Saket,
New Delhi – 110017

Dear Sirs,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IFFCO-TOKIO General Insurance Company Limited (hereinafter called the company) CIN No.U74899DL2000PLC107621. M/s IFFCO-TOKIO General Insurance Company Limited is an unlisted Public Limited Company under the Companies Act 2013. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

1. The Companies Act, 2013 and the rules made there under;
2. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
3. Insurance Regulatory & Development Authority Act, 1999;
4. Insurance Act, 1938;
5. Income Tax Act, 1961;
6. Service Tax Act, 1994 as amended from time to time.;
7. Professional Tax as applicable in some States of India where the Company has operations
8. Prevention of Money Laundering Act, 2002
9. Information Technology (Amendment) Act, 2008
10. The Indian Stamp Act 1889, and

11. The Industrial and Labour Laws consisting of :

- a) Contract Labour (Regulation and Abolition) Act, 1970
- b) The Minimum Wages Act, 1948
- c) Payment of Wages Act, 1936
- d) Maternity Benefit Act, 1961
- e) Industrial Disputes Act, 1947
- f) Workmen Compensation Act, 1923
- g) Sexual Harassment of women at work places (Prevention, Prohibition and Redressal) Act, 2013
- h) Shops and Establishment Act as applicable in various places where the Company has operations in various States of India
- i) Employees Provident Fund and Misc. Prov. Act, 1952
- j) Payment of Gratuity Act, 1972
- k) Employees State Insurance Act, 1948

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- a) Under Section 135 of the Companies Act, 2013, the Company is required to spend towards CSR a sum of ₹5,16,18,852/-, being 2% of Average Net Profits during the FY 2015-16 and ₹2,91,88,668/- being unspent CSR amount for the FY 2014-15. Thus against total budget of ₹8,08,07,520/-, a sum of ₹2,74,14,255/- was only spent in the FY 2015-16. The short spending, as explained by the Company, is due to CSR Projects being of longer duration.
- b) In respect of an inspection carried out in the year November 2010 by the Insurance Regulatory and Development Authority and finding certain non-compliances, the Company was issued show-cause notice on 03rd July, 2015 and after holding personal hearing on 09th September, 2015, the IRDA imposed penalty of ₹10 lakhs. The Company paid the penalty and assured the IRDA for complying the directions contained in the Final Order.
- c) The Company received show cause notice from the Service Tax Authority, Chennai Zonal Unit proposing recovery of ₹56.44 Crores in respect of ineligible CENVAT credit availed by the Company. As per the records produced and explanations submitted, the Company proposes to defend its action and contest the show cause notice.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company assured to further the scope of the quarterly reports/certificates submitted to the Board so as to make the reports more specific to the Acts/Laws that are applicable.

I further report that during the audit period, the company has no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: New Delhi
Date: 19th April, 2016

(P. S. R. Murthy)
A-5880
C.P.No.13090

This report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this report.

Annexure – A

The Members
Iffco-Tokio General Insurance Company Limited
New Delhi – 110017

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: New Delhi
Date: 19th April, 2016

(P. S. R. Murthy)
A-5880
C.P.No.13090

IFFCO-TOKIO General Insurance Co. Ltd.
CORPORATE SOCIAL RESPONSIBILITY REPORT
(FY 2015-16)

1. Brief Outline of Company's CSR Policy and Overview of the Projects or Programs proposed to be undertaken by the Company:

IFFCO-TOKIO's CSR Policy encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainability development of the Community at large. The CSR Policy of the Company aims at ensuring an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner while recognising the interests of all its stakeholders and to directly or indirectly take up programmes that benefit the communities in & around its area of operations and results, over a period of time, in enhancing the quality of life and economic well being of the local populace.

Under the CSR Policy of the Company, following programmes were proposed to be undertaken by the Company during the financial year 2015-16:

- a. IFFCO-TOKIO Integrated Rural Development Project
- b. IFFCO-TOKIO Health Care, Safe Drinking Water, Sanitation & Cleanliness Project
- c. IFFCO-TOKIO Education Assistance & Skill Development Project
- d. IFFCO-TOKIO Sheetala Mata Diagnostic Laboratory at Civil Hospital, Gurgaon

CSR Policy of the Company as well as the CSR Plan of the Company for the FY 2015-16 can be viewed at www.iffcotokio.co.in/sites/default/files/CSR-Policy-2016.pdf and www.iffcotokio.co.in/sites/default/files/CSR-Plan-2016.pdf respectively.

2. Composition of CSR Committee :

During the FY 2015-16, the Board of Directors in its Meeting held on 7th April, 2015 has revised the composition of CSR Committee which comprises of following Directors:

- a. Mrs. Mira Mehrishi Independent Director & Chairperson
- b. Mr. Yogesh Lohiya Managing Director & CEO
- c. Mr. Hiroshi Yasui Director (Operations)
- d. Mr. H. O. Suri Director (Marketing)

3. Average Net Profit of the Company for the last three financial years

Average Net Profit of the Company for the last three financial years worked out to ₹2,580,942,625/- detailed as under:

Particulars	2014 - 15	2013 - 14	2012 - 13
Profit Before Tax	3,020,984,005	3,225,007,498	1,962,836,405
Add: Expenses on CSR debited to P/L A/c	22,78,360	-	-
Less : Wealth Tax Expense	488,674	502,134	515,319
Less: Excess of expenditure over income to the extent not adjusted in any subsequent year	-	-	466,772,266
Profit as per Section 198	3,022,773,691	3,224,505,364	1,495,548,820

A. Total Profit of last three years ₹7,742,827,875

B. Avg. Profit for CSR [(A)/3] ₹2,580,942,625

4. Prescribed CSR expenditure for the FY 2015-16

The amount allocated for the CSR for the FY 2015-16 worked out to ₹51,618,852/- (being 2% of average Profits for the last three financial years).

In addition to the above statutory amount, the Board of Directors of the Company on the recommendation of the CSR Committee decided to bring forward and allocate towards CSR a sum of ₹2,91,88,668/- (being the unspent CSR Amount during the FY 2014-15).

Thus, the total amount allocated for the CSR activities for the FY 2015-16 worked out to ₹80,807,520/-

5. Details of CSR amount spent during the FY 2015-16

a. Total amount to be spent for the Financial Year 2015-16 : ₹80,807,520/-

b. Amount unspent: ₹53,393,265/-

c. Actual amount spent on CSR during the FY 2015-16: ₹27,414,255/-

Manner in which the amount allocated and spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programme was Undertaken (Dist. State)	Amount outlay (budget) project or programmes wise (Amount in ₹)	Amount spent on the projects or programmes Subheads: (1) Direct expenditure on projects or programmes. (2) Overheads (Amount in ₹)	Cumulative expenditure upto the reporting period (Amount in ₹)	Amount spent: Direct or through implementing agency
1.	IFFCO-TOKIO Integrated Rural Development Project	Rural Development Projects	Three villages each in Distt. Pratapgarh (Rajasthan); and Distt. Khorda (Odisha)	₹62,766,744/-	₹8,777,000/-	₹8,777,000/-	Indian Farmers Forestry Development Coop. Ltd. (IFFDC)
2.	IFFCO-TOKIO Health Care, Safe Drinking Water, Sanitation & Cleanliness Project	Health Care, Sanitation, Cleanliness and Providing Safe Drinking Water	Distt. Gurgaon (Haryana)	₹2,509,382/-	₹200,000/-	₹200,000/-	Sri Shiv Kalyan Kendra Trust, Gurgaon
					₹1,309,382/-	₹1,309,382/-	Indian Farmers Forestry Development Coop. Ltd. (IFFDC)
			Distt. Bharatpur (Rajasthan)		₹1,000,000/-	₹1,000,000/-	Indian Social Responsibility Network (ISRN), New Delhi
3.	IFFCO-TOKIO Education Assistance & Skill Development Project	Betterment of spread of basic education in rural areas	Distt.; Kullu (Himachal Pradesh), Distt.: Mewat (Haryana) & Distt.: Rourkela (Odisha)	₹5,000,000/-	2,500,000/-	₹2,500,000/-	Bharat Lok Shiksha Parishad (BLSPP) New Delhi
			Distt. Mewat (Haryana)		₹2,500,000/-	₹2,500,000/-	Indian Social Responsibility Network (ISRN), New Delhi
4.	IFFCO-TOKIO Sheetala Mata Diagnostic Laboratory at Civil Hospital Gurgaon	Promotion of Health Care	Gurgaon State - Haryana	₹10,000,000/-	₹10,000,000/-	₹10,000,000/-	District Health & Family Welfare Society (DHFWS), Gurgaon
	CSR Capacity Building Expenses & Other Administrative Cost			₹531,394/-	₹1,127,873/-	₹1,127,873/-	Direct
	TOTAL			₹80,807,520/-	₹27,414,255/-	₹27,414,255/-	

6. REASONS FOR NOT SPENDING THE PRESCRIBED CSR AMOUNT DURING THE FINANCIAL YEAR 2015 - 16

For the long term sustainability and larger impact, your Company had undertaken a long term project namely “IFFCO-TOKIO Integrated Rural Development Project” which is being implemented in six villages (Three villages each in Rajasthan and Odisha) which is spread over a period of three years. Therefore, the work on this project is in ongoing mode and would be completing by March, 2018. Milestones for the project have been set up, and all the payments to the implementing agency are made in tranches after effective completion of set milestones. This also helps in effective monitoring on the progress of the project and leads to a better coordination with the implementing agency. Your Company has already allocated the unspent CSR amount for its Integrated Rural Development Project and is committed to spend the same as per CSR Plan during Project Period till March 2018.

7. RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE

The CSR Committee hereby declares that the implementation and monitoring of CSR Policy of the Company is in compliance with CSR objectives and Policy of the Company and is in consonance with Section 135 of the Companies Act, 2013. We also undertake to follow the objectives of the Company’s CSR Policy in letter and spirit.

Yogesh Lohiya
(Managing Director & CEO)
Dated: 9th May, 2016

Mira Mehrishi
(Chairperson CSR Committee)

Annexure D

IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED									
Statement under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31 st March, 2016									
S. No.	Emp. Code	Name of Employee	Age (Years)	Designation/ Nature of Employment	Remuneration Received (₹ in lakhs)	Qualification & Experience	% of equity shares held	Date of Commencement of Employment	Particulars of Previous Employment
1	11687	Mr. Yogesh Lohiya	64	MD & CEO	110.32	B. E. All from the Institute of Insurance, and Diploma in Business Management from AIIMA Experience 39 Years	NIL Mr. Lohiya is not a relative of any Director of the Company	15.2.2013	GIC Re.

Note: 1. The gross remuneration comprises salary, allowances, monetary value of perquisites and Company's contribution to Provident Fund.

ANNEXURE – E

IFFCO-TOKIO General Insurance Co. Ltd.

FORM No. AOC – 2

[Pursuant to clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including arms length transactions under third proviso thereto

1. Details of material contracts or arrangement or transactions not at arm's length basis - NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name (s) of the related party and nature of relationship :

Name of Related Party : IFFCO-TOKIO Insurance Services Ltd.

Nature of Relationship : Subsidiary of the Company with 100% Voting Rights

(b) Nature of contracts/arrangements/transactions :

(i) Receipt of Insurance Premium and Payment of Insurance Claim for Direct Business

(ii) Payment of Commission and Service Charges

(iii) Recovery of Expenses.

(c) Duration of the contracts/arrangements/transactions : 2015-16

(d) Salient terms of the contacts or arrangements or transactions including the value, if any:

Name of the Related Parties	Nature of Related party relationship	Description of Nature of Transactions	2015-16 (₹ in thousand)
IFFCO-TOKIO Insurance Services Ltd.	Subsidiary of the Company with 100% Voting Rights	Premium accounted from direct business	3,881
		Claims paid on direct basis	(4,181)
		Recovery of Expenses	6,239
		Payment of Commission	(63,410)
		Payment of Service Charges	(645,160)

(e) Date(s) of approval by the Board, if any: Not applicable

(f) Amount paid as advances, if any: Not applicable

for IFFCO-TOKIO General Insurance Co. Ltd.,

**K. Srinivasa Gowda
(Chairman)**

FORM No. MGT – 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: U74899DL2000PLC107621
- ii) Registration Date: 4th December, 2000
- iii) Name of the Company: IFFCO-TOKIO General Insurance Co. Ltd.
- iv) Address of the Registered office and contact details : IFFCO SADAN, C-1, District Centre, Saket, New Delhi - 110017
- v) Whether listed Company Yes / No: No
- vi) Name, Address and Contact details of Registrar and Transfer Agent, if any
MCS Share Transfer Agent Limited, F-56, Okhala industrial Area, Phase- I, New Delhi- 110 020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the business shall be stated:

S. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1.	Non-life Insurance	65120	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	IFFCO-TOKIO Insurance Services Ltd. IFFCO Sadan, C-1, District Centre, Saket, New Delhi - 110017	U65999DL2003 PLC121571	Subsidiary	100%	Section 2 (87) of the Companies Act, 2013

IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

(i) Category-wise Share Holding

Shareholders Category:	No. of shares held at the beginning of the year				No. of shares held at the end of the year			
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares
A. Promoters								
1. Indian								
a) Individual/HUF	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corporate	3,662,772	NIL	3,662,772	1.36%	3,662,772	NIL	3,662,772	1.36%
e) Banks/FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other (Cooperative Society & its nominees)	195,635,131	7	195,635,138	72.64%	195,635,131	7	195,635,138	72.64%
Sub-Total (A) (1)	199,297,903	7	199,297,910	74%	199,297,903	7	199,297,910	74%
2. Foreign								
a) NRIs - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corporate	70,023,590	NIL	70,023,590	26%	70,023,590	NIL	70,023,590	26%
d) Banks/FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-Total (A)(2)	70,023,590	NIL	70,023,590	26%	70,023,590	NIL	70,023,590	26%
Total Shareholding of Promoters (A)=(A)(1)+(A)(2)	269,321,493	7	269,321,500	100%	269,321,493	7	269,321,500	100%
B. Public Shareholding								
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Public Shareholding (B) = (B)(1)+(B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares Held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	269,321,493	7	269,321,500	100%	269,321,493	7	269,321,500	100%

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the Company	% shares pledge/encumbered to total shares	No. of shares	% of total shares of the Company	% shares pledge/encumbered to total shares	% change in share holding during the year
1.	IFFCO & its Nominees	195,635,138	72.64%	NIL	195,635,138	72.64%	NIL	NIL
2.	Indian Potash Limited	3,662,772	1.36%	NIL	3,662,772	1.36%	NIL	NIL
3.	TOKIO Marine Asia Pte. Ltd.	70,023,590	26%	NIL	70,023,590	26%	NIL	NIL
	TOTAL	269,321,500	100%	NIL	269,321,500	100%	NIL	NIL

(iii) Change in Promoters' Shareholding:

There was no change in Promoters' Shareholding during the Year 2015-16.

(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

There is no Shareholder other than Promoters and their Nominees.

(v) Shareholding of Directors and Key Managerial Personnel :

None of the Directors or Key Managerial Personnel holds shares of the Company except as Nominee of Promoters and there was no change in the Shareholding of Promoter's Nominees during the year 2015-16.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
• Addition				
• Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount in ₹ Lakhs

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total
		Mr. Yogesh Lohiya (MD)	Mr. Hiroshi Yasui Director (Operations) *w.e.f 1 st June, 2015	Mr. Ichiro Maeda Director (Operations) (*till 30 th May, 2015)	Mr. H.O. Suri Director (Marketing)	
1	Gross Salary					
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	106.61	39.92	8.43	43.69	198.65
(b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961	0.00	0.00	0.00	0.00	0.00
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	0.00	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify	0.00	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (A)	106.61	39.92	8.43	43.69	198.65

Mr. Ichiro Maeda, Director (Operations) resigned from directorship w.e.f 30th May, 2015 and Mr. Hiroshi Yasui was appointed as Director (Operations) w.e.f 1st June, 2015.

B. Remuneration to other directors:

Amount in ₹ Lakhs

S. No.	Particulars of Remuneration	Name of Directors						Total
		Mr. Sudhakar Rao	Mr. Ashwani Kumar	Mrs. Mira Mehrishi	Mr. Surinder Kanwar*	Mr. Bahushrut Lugani*		
1.	Independent Directors							
(a)	Fee for attending board/committee Meetings	11.00	11.00	12.00	1.00	2.00		37.00
(b)	Commission	0.00	0.00	0.00	0.00	0.00		0.00
(c)	Others, please specify	0.00	0.00	0.00	0.00	0.00		0.00
	Total (1)	11.00	11.00	12.00	1.0	2.00		37.00
2.	Other Non-executive Directors							
(a)	Fee for attending board/committee Meetings	7.00	7.00	5.00	11.00	21.00	19.00	70.00
(b)	Commission	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Others, please specify	6.00	0.00	0.00	0.00	0.00	0.00	6.00
	Total (2)	13.00	7.00	5.00	11.00	21.00	19.00	76.00
	Total (B) = (1 + 2)	24.00	18.00	17.00	12.00	23.00	19.00	113.00

(*) Mr. Bahushrut Lugani and Mr. Surinder Kanwar ceased to be directors of the Company w.e.f 17th June, 2015.

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

(Amount in ₹ Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		MD & CEO	CFO	Company Secretary	Total
1.	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	106.61	35.81	20.10	162.52
(b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961	0.00	0.00	0.22	0.22
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission - As % of profit - Others, specify	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
	Total	106.61	35.81	20.32	162.74

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY	NIL	NIL	NIL	NIL	NIL
Penalty					
Punishment					
Compounding					
B. DIRECTORS	NIL	NIL	NIL	NIL	NIL
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT	NIL	NIL	NIL	NIL	NIL
Penalty					
Punishment					
Compounding					

APPENDIX - II

Policy for Appointment and Selection of Directors and members of Senior Management and determining Directors' Independence.

1. Scope & Objective

- a) This Policy sets out the guiding principles for the Nomination and Remuneration Committee (N&R Committee) for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the IFFCO-TOKIO General Insurance Co. Limited (the "Company" or "ITGI").
- b) This policy aims to achieve an appropriate balance of skills, experience, knowledge and expertise amongst its Directors and members of Senior Management.
- c) This policy also aims to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

2. Definitions:

In this Policy, the following terms shall have the following meanings:

- a) "Director" means a director appointed to the Board of a Company.
- b) "Nomination and remuneration Committee" or N&R Committee means the committee constituted by Company's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Corporate Governance Guidelines of Insurance Regulatory and Development Authority of India (IRDAI).
- c) "Independent Director" means a director referred to in Sub-section (6) of Section 149 of the Companies Act, 2013.
- d) "Senior Management" means personnel of the Company who are members of its core management team excluding members of the Board of Directors comprising all members of the Management one level below the Executive/Whole-time Directors including functional heads.

3. Qualifications and Criteria for Appointment of a Director

- a) Meeting the requirements of the Company and enhancing the competencies of the Board are the basis for the N&R Committee to shortlist and recommend a person for appointment as Director on the Board of the Company. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.
- b) When evaluating the suitability of individual and making a recommendation to the Board for appointment of such individual as Director on the Board of the Company, the N&R Committee may take into account factors, such as:
 - i. General understanding of the Company's business dynamics, Industrial and Social perspective;
 - ii. Educational and professional background;
 - iii. Standing in the profession;
 - iv. Personal and professional ethics, integrity and values;
 - v. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- c) The proposed appointee shall also fulfil the following requirements:
 - i. Shall possess a Director Identification Number (DIN);
 - ii. Shall not be disqualified under the Companies Act, 2013;
 - iii. Shall give his written consent to act as a Director;
 - iv. Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

- v. Shall abide by the Code of Conduct established by the Company;
- vi. Shall disclose his concern or interest in any company or companies or bodies corporate, firms or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- vii. Shall meet the fit and proper criteria as laid down by Corporate Governance Guidelines of IRDAI and provided with suitable declaration and undertakings to the Company in this regard;
- viii. Shall execute a Deed of Covenant with the Company as prescribed under Governance Guidelines of IRDAI;
- ix. Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, IRDAI Guidelines and other relevant laws.

4. Criteria of Independence

- a) The N&R Committee shall assess the independence of Directors at the time of appointment/ re-appointment and the Board shall assess the same annually.
- b) The Independent Directors shall fulfil the criteria of independence and other requirements as laid down in Section 149(6) of the Companies Act, 2013 and the provisions of Corporate Governance Guidelines of IRDAI and shall submit the requisite declarations to this effect.
- c) The Independent Directors shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Companies Act, 2013.

5. Disqualifications and Directorships in other companies:

- a) No person shall be considered for appointment as a Director of the Company, if he is disqualified to be appointed as such in terms of Section 164 of the Companies Act, 2013.
- b) No person shall be considered for appointment as Director of the Company if he is already a Director in twenty companies and/or holds the directorship in ten or more public companies or private companies that is either a holding or subsidiary of a public company.

6. Criteria for selection & Appointment of Members of Senior Management

The criteria to be considered when assessing the prospective candidate for appointment as member of Senior Management shall include the following:

- a) Highest level of personal and professional ethics and integrity.
- b) High quality attributes such as discipline, objectiveness, sensitivity and creativity.
- c) Experience and expertise in the relevant discipline for which the appointment is being considered.
- d) Excellent interpersonal communicational and representational skills.
- e) Strong influencing and negotiation skills.
- f) Inclination for continuous professional development to refresh knowledge and skills.

Remuneration Policy for Directors, Key Managerial Personnel and other Employees

1. Scope & Objective

This Remuneration Policy of the Company provides a framework and sets out the guiding principles for the Nomination and Remuneration Committee (the “N&R Committee”) for recommending to the Board the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees of the IFFCO-TOKIO General Insurance Co. Ltd. (the “Company”).

The primary objectives of this Policy are as under:

- a) To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, at all levels, the quality talent required to run the company successfully.
- b) To ensure that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) To ensure that remuneration 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.

2. Definitions :

In this Policy, the following terms shall have the following meanings:

- a) **“Director”** means a director appointed to the Board of the Company.
- b) **“Key managerial Personnel”** or **“KMP”** means
 - i. the Chief Executive Officer or the Managing Director or the manager;
 - ii. the Company Secretary;
 - iii. the Whole-time director;
 - iv. the Chief Financial Officer; and
 - v. such other officer as may be prescribed under the Companies Act, 2013.

“Nomination and Remuneration Committee” or **“N&R Committee”** means the committee constituted by Company's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Corporate Governance Guidelines of Insurance Regulatory and Development Authority of India (IRDAI).

3. Remuneration to Non Executive/ Independent Directors:

- a) Subject to the overall limit as prescribed in the Companies Act, 2013 and rules made thereunder, as amended from time to time, the Board, on the recommendations of the N&R Committee shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the Shareholders.
- b) Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.
- c) All the Non-Executive/Independent Directors shall be covered under the Directors and Officers Liability Insurance (D&O) Policy.
- d) The Independent Directors shall not be eligible for the Stock Options, if any.

4. Remuneration to Executive/ Whole-time Directors and Managing Director & CEO

- a) The Whole-time Directors and MD & CEO are appointed on contractual basis for a fixed tenure as approved by the IRDAI and the Shareholders and such contracts are renewable upon expiry of the tenure subject to recommendations by the N&R Committee/Board and approval of IRDAI and Shareholders.
- b) The Remuneration payable to Executive/Whole-time Directors including MD & CEO shall be approved and recommended by the N&R Committee subject to the approval of IRDAI under the provisions of Section 34A of the Insurance Act, 1938, as amended and the Shareholders of the Company under the provision of the Companies Act, 2013.

- c) The Remuneration payable to Executive/Whole-time Directors including MD & CEO may include Basic Pay, House Rent Allowance, Grade Allowance, Perquisites, Variable Pay (Performance Based Incentives), and other Allowances/elements/benefits as may be approved by the N&R Committee from time to time. They may also be eligible for the Stock Options as per the Scheme framed by the Company from time to time.
- d) Executive/Whole-time Directors including MD & CEO shall be covered under the Directors and Officers Liability Insurance (D&O) Policy.

5. Remuneration to Key Managerial Personnel (other than MD & CEO and Whole time Directors)

- a) The Key Components of Remuneration Package of KMPs shall comprise of Basic Pay, House Rent Allowance, Grade Allowance, Leave Travel Allowances and other allowances, Perquisites, Variable Performance Incentive, Retiral Benefits including contribution to Provident Fund, Gratuity and other Benefits. They may also be eligible for the Stock Options as per the Scheme framed by the Company from time to time.
- b) The Board, on the recommendation of the N&R Committee, shall review and approve the Remuneration Package for the KMPs of the Company.
- c) KMPs shall be covered under the Directors and Officers Liability Insurance (D&O) Policy.

6. Remuneration to Other Employees:

- a) Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.
- b) Remuneration Package of Employees of the Company shall normally comprised of the Basic Pay, House Rent Allowance, Grade Allowances, Leave Travel Allowances and other allowances, Perquisites, Variable Performance Incentive, Retiral Benefits including contribution to Provident Fund, Gratuity and other Benefits.
- c) Remuneration Package for the Employees under each grade shall be determined and reviewed with the approval of the Board/Committee.

7. Disclosure in the Board's Report:

As required under the relevant provisions of the Companies Act, 2013, and the rules made there under as well as the requirements of the IRDAI's Guidelines on Corporate Governance, appropriate disclosures with regard to the remuneration details of the Directors, KMPs, Senior Management and other employees shall be made in the Board's Report of the Company.

8. Policy Review:

- a) This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Companies Act, 2013 and rules made there under, the IRDAI Regulations and Guidelines, the Insurance Act, 1938 and rules/regulations/guidelines made there under, the Memorandum and Articles of Association of the Corporation or as may be otherwise prescribed by the Board from time to time.
- b) The N&R Committee may issue/implement such guidelines, procedures, formats and/or reporting mechanisms to enforce this Policy as it may deem fit.

AUDITORS' REPORT



TO THE MEMBERS OF IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Revenue Accounts of Fire, Marine and Miscellaneous Insurance (collectively known as the "Revenue Accounts"), the Profit and Loss Account and the Receipts and Payments Accounts for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Company in accordance with the accounting principles generally accepted in India, Insurance Act, 1938, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulations') including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by The Insurance Act, 1938, the Insurance Regulatory and Development Act, 1999 and the Act in the manner so required and

give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its surplus in revenue accounts, its profit and its receipts and payments accounts for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
- (2) As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Revenue Accounts, Profit and Loss Account, and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting policies prescribed by IRDA.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure-A**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on the notes to the Balance Sheet as at 31st March, 2016.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (3) In our opinion and according to the information and explanations given to us, we further report that:
 - a) The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards referred to under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014 and with the accounting principles prescribed by the Regulations and orders/directions issued by IRDA in this behalf;
 - b) Investments have been valued in accordance with the provisions of the Insurance Act, 1938, the regulations and orders/directions issued by IRDA in this behalf;
 - c) The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR) and those Incurred But Not Enough Reported (IBNER) as at March 31, 2016, has been duly certified by the Appointed Actuary of the Company and relied upon by us. The Appointed Actuary has also certified that the assumptions considered for such valuation are

in accordance with the guidelines and norms prescribed by the IRDA and the Institute of Actuaries of India (formerly known as the Actuarial Society of India) in concurrence with the IRDA; and

- (4) Further, on the basis of examination of books and records of the Company and according to the information and explanations given to us during the course of our audit and to the best of our knowledge and belief, we further certify that:

- a) We have reviewed the management report attached to the financial statements for the year ended March 31, 2016 and there are no apparent mistakes or material inconsistencies with the financial statements; and
- b) Based on information and explanations received during the course of our audit and management representation, nothing has come to our attention which causes us to believe that the company has not complied with the terms and conditions of registration.

For S. K. Mittal & Co.
Chartered Accountants
FRN 0001135N

S. K. Mittal
Partner
M.No. 8506

Place: New Delhi
Date: 09th May, 2016

For S. K. Mehta & Co.
Chartered Accountants
FRN 000478N

Rohit Mehta
Partner
M.No. 91382

AUDITOR'S CERTIFICATE

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of accounts and other records maintained by IFFCO-TOKIO General Insurance Company Limited (the Company) for the year ended March 31, 2016, we certify that:

- (a) We have verified the cash balances and investments of the Company with the dematerialised statement/confirmations received from the custodians as at March 31, 2016, the Company had no secured loans.
- (b) The Company is not a trustee of any trust.
- (c) No part of the assets of the policyholders' funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the policyholders funds.

This certificate is issued to comply with Schedule 'C' of Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the Accounting Regulations'), read with regulation 3 of the Accounting Regulations and may not be suitable for any other purpose.

For S. K. Mittal & Co.
Chartered Accountants
FRN 0001135N

S. K. Mittal
Partner
M.No. 8506

For S. K. Mehta & Co.
Chartered Accountants
FRN 000478N

Rohit Mehta
Partner
M.No. 91382

Place: New Delhi
Date: 09th May, 2016

ANNEXURE 'A'

The Annexure referred to in paragraph 2 (g) of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of IFFCO-TOKIO General Insurance Company Limited on the Internal Financial Controls required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of IFFCO-TOKIO General Insurance Company Limited as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of

Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and

- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

For S. K. Mittal & Co.
Chartered Accountants
FRN 0001135N

S. K. Mittal
Partner
M.No. 8506

Place: New Delhi
Date: 09th May, 2016

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. K. Mehta & Co
Chartered Accountants
FRN 000478N

Rohit Mehta
Partner
M.No. 91382

FINANCIAL STATEMENTS



BALANCE SHEET AS AT 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	SCHEDULE		As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)		(4)	(5)
	SOURCES OF FUNDS				
1	SHARE CAPITAL	5		2,693,215	2,693,215
2	RESERVES AND SURPLUS	6		9,895,072	8,224,189
3	FAIR VALUE CHANGE ACCOUNT			(6,460)	(1,011)
4	BORROWINGS	7		-	-
	TOTAL			12,581,827	10,916,393
	APPLICATION OF FUNDS				
5	INVESTMENTS	8		41,110,783	27,848,029
6	LOANS	9		-	-
7	FIXED ASSETS	10		220,695	214,606
8	DEFERRED TAX ASSET (NET)			163,300	253,200
9	CURRENT ASSETS :				
	Cash and Bank Balances	11	8,139,366		16,695,839
	Advances and Other Assets	12	5,686,645		4,866,017
	Sub-Total (A)		13,826,011		21,561,856
10	CURRENT LIABILITIES	13	27,651,789		25,362,582
11	PROVISIONS	14	15,087,173		13,598,716
	Sub-Total (B)		42,738,962		38,961,298
12	NET CURRENT ASSETS (C) = (A-B)			(28,912,951)	(17,399,442)
13	MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	15		-	-
	TOTAL			12,581,827	10,916,393

CONTINGENT LIABILITIES

(₹ In '000)

S. No.	PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)	(5)
1	Partly paid up Investments		-	-
2	Claims, other than against policies, not acknowledged as debts by the company		-	-
3	Underwriting commitments outstanding (in respect of shares and securities)		-	-
4	Guarantees given by or on behalf of the company		-	-
5	Statutory demands/liabilities in dispute, not provided for		280,281	3,393
6	Reinsurance obligations to the extent not provided for in the accounts		-	-
7	Others		-	-
	TOTAL		280,281	3,393

Notes on Accounts

16

Schedule No. 1 to 16 form an integral part of the financial statements
As per our Report of even date attached.

For and on behalf of Board of Directors

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place : New Delhi
Dated : 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums Earned (Net)	1	449,291	392,025
2	Profit/(Loss) on Sale/Redemption of Investments		3,889	1,012
3	Others: Exchange Gain/(Loss)		(3,992)	(1,508)
	Handling Charges		(976)	(3,231)
4	Interest, Dividend & Rent - Gross		75,415	78,744
	TOTAL (A)		523,627	467,042
1	Claims Incurred (Net)	2	250,829	215,463
2	Commission	3	(262,516)	(151,304)
3	Operating expenses related to Insurance Business	4	114,976	89,793
4	Premium Deficiency		-	-
	TOTAL (B)		103,289	153,952
	Operating Profit/(Loss) from Fire Business C = (A-B)		420,338	313,090
	APPROPRIATIONS			
	Transfer to Shareholders' Account		420,338	313,090
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves			
	TOTAL (C)		420,338	313,090

Schedule No. 1 to 16 form an integral part of the financial statements

As required by section 40C of the Insurance Act, 1938, we certify that the expenses of management, wherever incurred, whether directly or indirectly in respect of fire insurance business have been debited to fire insurance revenue account as expense as per the accounting policy of the Company in this regard.

For and on behalf of Board of Directors

As per our Report of even date attached.

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place : New Delhi
Dated : 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums Earned (Net)	1	396,139	490,949
2	Profit/(Loss) on Sale/Redemption of Investments		3,897	1,035
3	Others: Exchange Gain/(Loss)		-	-
	Handling Charges		14	536
4	Interest, Dividend & Rent - Gross		75,570	80,544
	TOTAL (A)		475,620	573,064
1	Claims Incurred (Net)	2	400,281	377,774
2	Commission	3	(68,212)	(49,040)
3	Operating expenses related to Insurance Business	4	90,759	98,653
4	Premium Deficiency		4,885	-
	TOTAL (B)		427,713	427,387
	Operating Profit/(Loss) from Marine Business C = (A-B)		47,907	145,677
	APPROPRIATIONS			
	Transfer to Shareholders' Account		47,907	145,677
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves			
	TOTAL (C)		47,907	145,677

Schedule No. 1 to 16 form an integral part of the financial statements

As required by section 40C of the Insurance Act, 1938, we certify that the expenses of management, wherever incurred, whether directly or indirectly in respect of marine insurance business have been debited to marine insurance revenue account as expense as per the accounting policy of the Company in this regard.

For and on behalf of Board of Directors

As per our Report of even date attached.

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

Place : New Delhi
Dated : 09th May, 2016

MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums Earned (Net)	1	27,204,054	21,791,503
2	Profit/(Loss) on Sale/Redemption of Investments		170,183	37,470
3	Others: Transfer & Duplicate Fee		12,729	10,126
	Exchange Gain/(Loss)		7,428	(6,199)
	Handling Charges		(32)	(1,034)
4	Interest, Dividend & Rent - Gross		3,300,208	2,914,776
	TOTAL (A)		30,694,570	24,746,642
1	Claims Incurred (Net)	2	21,545,548	16,222,026
2	Commission	3	826,120	571,019
3	Operating expenses related to Insurance Business	4	7,085,356	5,994,882
4	Premium Deficiency		-	-
	TOTAL (B)		29,457,024	22,787,927
	Operating Profit/(Loss) from Miscellaneous Business C = (A-B)		1,237,546	1,958,715
	APPROPRIATIONS			
	Transfer to Shareholders' Account		1,237,546	1,958,715
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves			
	TOTAL (C)		1,237,546	1,958,715

Schedule No. 1 to 16 form an integral part of the financial statements

As required by section 40C of the Insurance Act, 1938, we certify that the expenses of management, wherever incurred, whether directly or indirectly in respect of miscellaneous insurance business have been debited to miscellaneous insurance revenue account as expense as per the accounting policy of the Company in this regard.

As per our Report of even date attached.

For and on behalf of Board of Directors

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place : New Delhi
Dated : 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	OPERATING PROFIT/(LOSS)			
	(a) Fire Insurance		420,338	313,090
	(b) Marine Insurance		47,907	145,677
	(c) Miscellaneous Insurance		1,237,546	1,958,715
			1,705,791	2,417,482
2	INCOME FROM INVESTMENTS			
	(a) Interest, Dividend & Rent - Gross		660,838	572,940
	(b) Profit on Sale of Investments		34,077	7,366
	Less: Loss on Sale of Investments		-	-
			694,915	580,306
3	OTHER INCOME			
	(a) Miscellaneous Income		36,006	33,066
	(b) Profit on Sale of Fixed Assets		-	67
	TOTAL (A)		2,436,712	3,030,921
4	PROVISIONS (Other than taxation)			
	(a) For diminution in the value of investments		-	-
	(b) For doubtful debts		-	-
	(c) For doubtful advances		-	226
5	OTHER EXPENSES			
	(a) Expenses other than those related to Insurance business		9,128	7,433
	(b) Bad Debts/Advances written off		-	-
	(c) Loss on Sale of Fixed Assets		825	-
	(d) Expenses on Corporate Social Responsibility (CSR)		27,414	2,278
	TOTAL (B)		37,367	9,937
	Profit Before Tax (A-B)		2,399,345	3,020,984
	Less: Provision for Taxation			
	Current Tax		639,000	1,134,962
	Deferred Tax		89,900	(175,700)
	Wealth Tax		-	500
	Less: Short/(Excess) provision for taxation for earlier years			
	Current Tax		(416)	(1,891)
	Deferred Tax		-	3,000
	Wealth Tax		(22)	(11)
	Profit After Tax		1,670,883	2,060,124
	APPROPRIATIONS			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or other Accounts		-	-
	Balance of Profit brought forward from last year		5,654,234	3,594,110
	Balance carried forward to Balance sheet		7,325,117	5,654,234
	Basic & Diluted Earnings per share (Equity shares of face value of ₹10 each)		6.20	7.65

Notes on Accounts

16

Schedule No. 1 to 16 form an integral part of the financial statements
As per our Report of even date attached.

For and on behalf of Board of Directors

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place : New Delhi
Dated : 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

	Current Year		Previous Year	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Premium received from policyholders, including advance receipts	42,161,935		38,356,045	
Other receipts	36,007		33,066	
Receipts from the reinsurers, net of commissions and claims	(935,040)		(4,516,274)	
Payments to co-insurers, net of claims recovery	(201,612)		(398,376)	
Payments of claims	(27,612,933)		(18,047,932)	
Payments of commission and brokerage	(1,798,893)		(1,425,831)	
Payments of other operating expenses	(7,262,922)		(6,254,031)	
Preliminary and pre-operative expenses	-		-	
Deposits, advances and staff loans	(26,677)		20,726	
Income taxes paid (Net)	(927,761)		(1,066,246)	
Service tax paid	(2,851,137)		(2,116,297)	
Other payments	-		-	
Cash Flows before extraordinary items	580,968		4,584,851	
Cash Flow from extraordinary operations	-		-	
Net Cash Flow from operating activities		580,968		4,584,851
CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of fixed assets	(106,312)		(60,246)	
Proceeds from sale of fixed assets	912		298	
Purchases of investments	(77,345,152)		(49,634,728)	
Loans disbursed	-		-	
Sales of investments	65,005,746		43,747,883	
Repayments received	-		-	
Rents/Interests/Dividends received	3,316,493		3,465,777	
Investments in money market instruments and in liquid mutual funds (Net)	-		-	
Expenses related to investments	(9,128)		(7,433)	
Net Cash Flow from investing activities		(9,137,441)		(2,488,448)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of share capital	-		-	
Proceeds from borrowing	-		-	
Repayments of borrowing	-		-	
Interest/dividends paid	-		-	
Net Cash Flow from financing activities		-		-
Effect of foreign exchange rates on cash and cash equivalents, net		-		-
Net Increase/(Decrease) in Cash & Cash equivalents		(8,556,473)		2,096,403
Cash Equivalents at Beginning of Year		16,695,839		14,599,437
Cash Equivalents at End of Year		8,139,366		16,695,839

For and on behalf of Board of Directors

As per our Report of even date attached.

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place : New Delhi
Dated : 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS SCHEDULE - 1 PREMIUM EARNED (NET)

(₹ In '000)

Particulars	Current Year				Previous Year			
	FIRE	*MARINE	**MISCELLANEOUS	Total	FIRE	*MARINE	**MISCELLANEOUS	Total
Premium from direct business written	2,659,496	1,167,348	33,086,472	36,913,316	2,324,003	1,139,421	29,836,254	33,299,678
Add : Premium on reinsurance accepted	437,711	47,759	225,617	711,087	461,635	39,550	185,915	687,100
	3,097,207	1,215,107	33,312,089	37,624,403	2,785,638	1,178,971	30,022,169	33,986,778
Less : Premium on reinsurance ceded	2,630,458	846,565	4,556,304	8,033,327	2,409,232	765,297	4,897,239	8,071,768
Net Premium	466,749	368,542	28,755,785	29,591,076	376,406	413,674	25,124,930	25,915,010
Adjustments for changes in Reserve for Unexpired Risks	17,458	(27,597)	1,551,731	1,541,592	(15,619)	(77,275)	3,333,427	3,240,533
Total Premium Earned (Net)	449,291	396,139	27,204,054	28,049,484	392,025	490,949	21,791,503	22,674,477

* For analysis of the segment of Marine business, refer Schedule 1A.

** For analysis of the segment of Miscellaneous business, refer Schedule 1B

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS SCHEDULE - 1A PREMIUM EARNED (NET)

(₹ In '000)

Particulars	Current Year			Previous Year		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Premium from direct business written	1,095,706	71,642	1,167,348	1,009,441	129,980	1,139,421
Add : Premium on reinsurance accepted	46,906	853	47,759	38,644	906	39,550
	1,142,612	72,495	1,215,107	1,048,085	130,886	1,178,971
Less : Premium on reinsurance ceded	796,499	50,066	846,565	660,501	104,796	765,297
Net Premium	346,113	22,429	368,542	387,584	26,090	413,674
Adjustments for changes in Reserve for Unexpired Risks	(21,818)	(5,779)	(27,597)	(78,691)	1,416	(77,275)
Total Premium Earned (Net)	367,931	28,208	396,139	466,275	24,674	490,949

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 1B
PREMIUM EARNED (NET)

(₹ In '000)

Particulars	Current Year										
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	13,289,852	10,781,581	24,071,433	637,449	7,577	280,919	493,092	201,531	4,324,689	3,069,782	33,086,472
Add : Premium on reinsurance accepted	-	154,236	154,236	48,778	(17)	-	4,001	8,928	3,604	6,087	225,617
	13,289,852	10,935,817	24,225,669	686,227	7,560	280,919	497,093	210,459	4,328,293	3,075,869	33,312,089
Less : Premium on reinsurance ceded	722,886	565,952	1,288,838	486,564	6,938	14,047	61,633	69,029	499,524	2,129,731	4,556,304
Net Premium	12,566,966	10,369,865	22,936,831	199,663	622	266,872	435,460	141,430	3,828,769	946,138	28,755,785
Adjustments for changes in Reserve for Unexpired Risks	501,684	825,989	1,327,673	9,479	(635)	18,091	65,508	4,658	45,627	81,330	1,551,731
Total Premium Earned (Net)	12,065,282	9,543,876	21,609,158	190,184	1,257	248,781	369,952	136,772	3,783,142	864,808	27,204,054

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 1B
PREMIUM EARNED (NET)

(₹ In '000)

Particulars	Previous Year										
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	12,370,563	9,049,126	21,419,689	605,779	13,118	224,120	364,284	177,737	3,539,579	3,491,948	29,836,254
Add : Premium on reinsurance accepted	-	106,965	106,965	53,293	(1,484)	-	4,080	4,921	10,119	8,021	185,915
	12,370,563	9,156,091	21,526,654	659,072	11,634	224,120	368,364	182,658	3,549,698	3,499,969	30,022,169
Less : Premium on reinsurance ceded	646,594	475,454	1,122,048	502,412	11,845	13,070	48,548	59,920	542,183	2,597,213	4,897,239
Net Premium	11,723,969	8,680,637	20,404,606	156,660	(211)	211,050	319,816	122,738	3,007,515	902,756	25,124,930
Adjustments for changes in Reserve for Unexpired Risks	1,611,369	1,322,269	2,933,638	6,585	(927)	29,185	34,225	12,486	291,123	27,112	3,333,427
Total Premium Earned (Net)	10,112,600	7,358,368	17,470,968	150,075	716	181,865	285,591	110,252	2,716,392	875,644	21,791,503

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS SCHEDULE - 2 CLAIMS INCURRED (NET)

(₹ In '000)

Particulars	Current Year				Previous Year			
	FIRE	*MARINE	**MISCELLANEOUS	Total	FIRE	*MARINE	**MISCELLANEOUS	Total
Claims Paid Direct	1,406,951	1,440,155	22,666,642	25,513,748	825,810	945,330	15,753,335	17,524,475
Add : Reinsurance accepted	523,368	16,067	157,835	697,270	68,569	8,034	251,602	328,205
Less : Reinsurance ceded	1,643,769	1,058,396	5,113,677	7,815,842	715,197	610,326	3,646,590	4,972,113
Net Claims Paid	286,550	397,826	17,710,800	18,395,176	179,182	343,038	12,358,347	12,880,567
Add : Claims Outstanding at the end of the year	458,295	539,961	20,093,200	21,091,456	494,016	537,506	16,258,452	17,289,974
Less : Claims Outstanding at the beginning of the year	494,016	537,506	16,258,452	17,289,974	457,735	502,770	12,394,773	13,355,278
Total Claims Incurred	250,829	400,281	21,545,548	22,196,658	215,463	377,774	16,222,026	16,815,263

* For analysis of the segment of Marine business, refer Schedule 2A.

** For analysis of the segment of Miscellaneous business, refer Schedule 2B.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS SCHEDULE - 2A CLAIMS INCURRED (NET)

(₹ In '000)

Particulars	Current Year			Previous Year		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Claims Paid Direct	1,367,385	72,770	1,440,155	729,780	215,550	945,330
Add : Reinsurance accepted	16,067	-	16,067	8,034	-	8,034
Less : Reinsurance ceded	1,027,236	31,160	1,058,396	429,617	180,709	610,326
Net Claims Paid	356,216	41,610	397,826	308,197	34,841	343,038
Add : Claims Outstanding at the end of the year	424,533	115,428	539,961	401,476	136,030	537,506
Less : Claims Outstanding at the beginning of the year	401,476	136,030	537,506	402,581	100,189	502,770
Total Claims Incurred	379,273	21,008	400,281	307,092	70,682	377,774

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 2B
CLAIMS INCURRED (NET)

(₹ In '000)

Particulars	Current Year										
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Claims Paid Direct	9,062,168	5,523,515	14,585,683	451,793	4,413	46,942	234,835	4,091	4,264,740	3,074,145	22,666,642
Add : Reinsurance accepted	-	141,174	141,174	739	(1,725)	-	5,135	-	7,632	4,880	157,835
Less : Reinsurance ceded	619,697	1,390,663	2,010,360	338,104	3,102	2,727	25,123	643	476,036	2,257,582	5,113,677
Net Claims Paid	8,442,471	4,274,026	12,716,497	114,428	(414)	44,215	214,847	3,448	3,796,336	821,443	17,710,800
Add : Claims Outstanding at the end of the year	1,390,689	16,544,470	17,935,159	292,311	9,739	94,429	151,260	99,914	925,887	584,501	20,093,200
Less : Claims Outstanding at the beginning of the year	1,340,990	12,869,161	14,210,151	328,333	14,656	75,311	136,071	89,497	622,661	781,772	16,258,452
Total Claims Incurred	8,492,170	7,949,335	16,441,505	78,406	(5,331)	63,333	230,036	13,865	4,099,562	624,172	21,545,548

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 2B
CLAIMS INCURRED (NET)

(₹ In '000)

Particulars	Previous Year										
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Claims Paid Direct	6,846,307	4,554,570	11,400,877	162,723	4,693	34,373	223,840	13,806	2,824,880	1,088,143	15,753,335
Add : Reinsurance accepted	-	205,915	205,915	3,879	26,465	-	6,829	-	2,646	5,868	251,602
Less : Reinsurance ceded	774,749	1,596,415	2,371,164	83,758	4,739	2,458	23,689	2,370	385,663	772,749	3,646,590
Net Claims Paid	6,071,558	3,164,070	9,235,628	82,844	26,419	31,915	206,980	11,436	2,441,863	321,262	12,358,347
Add : Claims Outstanding at the end of the year	1,340,990	12,869,161	14,210,151	328,333	14,656	75,311	136,071	89,497	622,661	781,772	16,258,452
Less : Claims Outstanding at the beginning of the year	1,177,397	9,429,708	10,607,105	337,995	50,734	79,132	173,811	109,243	462,403	574,350	12,394,773
Total Claims Incurred	6,235,151	6,603,523	12,838,674	73,182	(9,659)	28,094	169,240	(8,310)	2,602,121	528,684	16,222,026

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS SCHEDULE - 3 COMMISSION

(₹ In '000)

Particulars	Current Year				Previous Year			
	FIRE	*MARINE	**MISCELLANEOUS	Total	FIRE	*MARINE	**MISCELLANEOUS	Total
Commission Paid Direct	63,778	56,571	1,289,697	1,410,046	64,973	59,987	1,161,839	1,286,799
TOTAL (A)	63,778	56,571	1,289,697	1,410,046	64,973	59,987	1,161,839	1,286,799
Add : Commission on reinsurance accepted	31,046	4,171	6,457	41,674	38,994	3,160	5,660	47,814
Less : Commission on reinsurance ceded	357,340	128,954	470,034	956,328	255,271	112,187	596,480	963,938
Net Commission	(262,516)	(68,212)	826,120	495,392	(151,304)	(49,040)	571,019	370,675
Breakup of the expenses (Gross) incurred to procure business:								
Agents	29,004	22,988	549,905	601,897	32,815	22,805	536,395	592,015
Brokers	30,023	32,158	636,203	698,384	27,912	35,620	524,904	588,436
Corporate Agency	4,751	1,425	103,589	109,765	4,246	1,562	100,540	106,348
Others	-	-	-	-	-	-	-	-
TOTAL (B)	63,778	56,571	1,289,697	1,410,046	64,973	59,987	1,161,839	1,286,799

* For analysis of the segment of Marine business, refer Schedule 3A.

** For analysis of the segment of Miscellaneous business, refer Schedule 3B.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS SCHEDULE - 3A COMMISSION

(₹ In '000)

Particulars	Current Year			Previous Year		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Commission Paid Direct	52,442	4,129	56,571	52,368	7,619	59,987
TOTAL (A)	52,442	4,129	56,571	52,368	7,619	59,987
Add : Commission on reinsurance accepted	4,163	8	4,171	3,151	9	3,160
Less : Commission on reinsurance ceded	126,059	2,895	128,954	103,972	8,215	112,187
Net Commission	(69,454)	1,242	(68,212)	(48,453)	(587)	(49,040)
Breakup of the expenses (Gross) incurred to procure business:						
Agents	20,116	2,872	22,988	19,907	2,898	22,805
Brokers	30,931	1,227	32,158	30,942	4,678	35,620
Corporate Agency	1,395	30	1,425	1,519	43	1,562
Others	-	-	-	-	-	-
TOTAL (B)	52,442	4,129	56,571	52,368	7,619	59,987

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 3B
COMMISSION

(₹ In '000)

Particulars	Current Year										
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Commission Paid Direct	752,811	8,328	761,139	35,952	336	25,663	31,254	24,784	247,650	162,919	1,289,697
Total (A)	752,811	8,328	761,139	35,952	336	25,663	31,254	24,784	247,650	162,919	1,289,697
Add : Commission on reinsurance accepted	-	-	-	4,351	-	-	40	1,202	64	800	6,457
Less : Commission on reinsurance ceded	99,548	27,143	126,691	55,443	795	2,107	8,062	6,762	48,747	221,427	470,034
Net Commission	653,263	(18,815)	634,448	(15,140)	(459)	23,556	23,232	19,224	198,967	(57,708)	826,120
Breakup of the expenses (Gross) incurred to procure business:											
Agents	335,618	7,092	342,710	15,937	-	14,829	13,242	3,126	112,757	47,304	549,905
Brokers	376,759	912	377,671	18,472	336	9,171	14,008	21,467	115,361	79,718	636,203
Corporate Agency	40,434	324	40,758	1,543	-	1,663	4,004	191	19,532	35,897	103,589
Others	-	-	-	-	-	-	-	-	-	-	-
TOTAL (B)	752,811	8,328	761,139	35,952	336	25,663	31,254	24,784	247,650	162,919	1,289,697

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 3B
COMMISSION

(₹ In '000)

Particulars	Previous Year										
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Commission Paid Direct	729,952	7,879	737,831	30,858	609	20,421	23,856	22,860	189,042	136,362	1,161,839
Total (A)	729,952	7,879	737,831	30,858	609	20,421	23,856	22,860	189,042	136,362	1,161,839
Add : Commission on reinsurance accepted	-	-	-	3,720	472	-	41	394	503	530	5,660
Less : Commission on reinsurance ceded	94,059	23,122	117,181	66,992	626	1,822	6,921	5,727	48,482	348,729	596,480
Net Commission	635,893	(15,243)	620,650	(32,414)	455	18,599	16,976	17,527	141,063	(211,837)	571,019
Breakup of the expenses (Gross) incurred to procure business:											
Agents	366,473	6,343	372,816	12,491	(6)	12,419	11,003	2,778	83,701	41,193	536,395
Brokers	317,779	1,171	318,950	16,532	615	6,367	9,646	19,798	87,769	65,227	524,904
Corporate Agency	45,700	365	46,065	1,835	-	1,635	3,207	284	17,572	29,942	100,540
Others	-	-	-	-	-	-	-	-	-	-	-
TOTAL (B)	729,952	7,879	737,831	30,858	609	20,421	23,856	22,860	189,042	136,362	1,161,839

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4

OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ In '000)

S. No.	Particulars	Current Year				Previous Year			
		FIRE	*MARINE	** MISCELLANEOUS	Total	FIRE	*MARINE	** MISCELLANEOUS	Total
1	Employees remuneration and welfare benefits	17,003	13,425	1,047,544	1,077,972	14,597	16,042	974,329	1,004,968
2	Travel, conveyance and vehicle running expenses	1,566	1,236	96,465	99,267	1,417	1,557	94,590	97,564
3	Training expenses	82	66	5,131	5,279	47	50	3,039	3,136
4	Rent, rates and taxes	4,917	3,882	302,899	311,698	4,353	4,784	290,568	299,705
5	Repairs	1,754	1,385	108,071	111,210	1,434	1,577	95,754	98,765
6	Printing and stationery	1,092	862	67,261	69,215	917	1,007	61,178	63,102
7	Communication	1,243	981	76,569	78,793	996	1,096	66,509	68,601
8	Legal and professional charges	16,337	12,899	1,006,506	1,035,742	12,659	13,912	844,970	871,541
9	Auditor's fees, expenses etc.	-	-	-	-	-	-	-	-
	(a) As Auditor	48	37	2,915	3,000	43	48	2,909	3,000
	(b) As Advisor or in any other capacity in respect of	-	-	-	-	-	-	-	-
	(i) Taxation matters	6	5	389	400	6	6	388	400
	(ii) Insurance matters	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-
	(c) in any other capacity	-	-	-	-	-	-	-	-
10	Advertisement and publicity	2,460	1,943	151,583	155,986	1,927	2,118	128,629	132,674
11	Marketing & support services	58,646	46,307	3,613,130	3,718,083	43,095	47,360	2,876,495	2,966,950
12	Interest and bank charges	1,111	878	68,424	70,413	970	1,066	64,761	66,797
13	Others:	-	-	-	-	-	-	-	-
	Policy stamps	31	-	3,764	3,795	28	-	3,074	3,102
	Information & technology expenses	2,999	2,368	184,765	190,132	2,668	2,933	178,131	183,732
	Electricity & water charges	872	688	53,722	55,282	730	803	48,737	50,270
	Courtesies & entertainment	1,157	913	71,258	73,328	679	746	45,330	46,755
	Others	951	751	58,563	60,265	764	841	51,060	52,665
14	Depreciation	1,447	1,143	89,140	91,730	1,845	2,028	123,180	127,053
15	Service tax expense	1,254	990	77,257	79,501	618	679	41,251	42,548
	TOTAL	114,976	90,759	7,085,356	7,291,091	89,793	98,653	5,994,882	6,183,328

* For analysis of the segment of Marine business, refer Schedule 4A.

** For analysis of the segment of Miscellaneous business, refer Schedule 4B.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4A

OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ In '000)

S. No.	Particulars	Current Year			Previous Year		
		Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
1	Employees remuneration and welfare benefits	12,608	817	13,425	15,030	1,012	16,042
2	Travel, conveyance and vehicle running expenses	1,161	75	1,236	1,459	98	1,557
3	Training expenses	62	4	66	47	3	50
4	Rent, rates and taxes	3,646	236	3,882	4,482	302	4,784
5	Repairs	1,301	84	1,385	1,478	99	1,577
6	Printing and stationery	810	52	862	944	63	1,007
7	Communication	921	60	981	1,026	70	1,096
8	Legal and professional charges	12,114	785	12,899	13,035	877	13,912
9	Auditor's fees, expenses etc.	-	-	-	-	-	-
	(a) As Auditor	35	2	37	45	3	48
	(b) As Advisor or in any other capacity in respect of	-	-	-	-	-	-
	(i) Taxation matters	5	-	5	6	-	6
	(ii) Insurance matters	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-
	(c) In any other capacity	-	-	-	-	-	-
10	Advertisement and publicity	1,825	118	1,943	1,984	134	2,118
11	Marketing & support services	43,489	2,818	46,307	44,373	2,987	47,360
12	Interest and bank charges	824	54	878	999	67	1,066
13	Others:	-	-	-	-	-	-
	Policy stamps	-	-	-	-	-	-
	Information & technology expenses	2,224	144	2,368	2,748	185	2,933
	Electricity & water charges	646	42	688	752	51	803
	Courtesies & entertainment	857	56	913	699	47	746
	Others	705	46	751	788	53	841
14	Depreciation	1,073	70	1,143	1,900	128	2,028
15	Service tax expense	930	60	990	636	43	679
	TOTAL	85,236	5,523	90,759	92,431	6,222	98,653

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 4B
OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ In '000)

S. No.	Particulars	Current Year										
		Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Employees remuneration and welfare benefits	457,802	377,763	835,565	7,274	23	9,722	15,863	5,152	139,478	34,467	1,047,544
2	Travel, conveyance and vehicle running expenses	42,158	34,787	76,945	670	2	895	1,461	474	12,844	3,174	96,465
3	Training expenses	2,242	1,850	4,092	36	-	48	78	25	683	169	5,131
4	Rent, rates and taxes	132,374	109,231	241,605	2,103	7	2,811	4,587	1,490	40,330	9,966	302,899
5	Repairs	47,230	38,972	86,202	750	2	1,003	1,637	532	14,389	3,556	108,071
6	Printing and stationery	29,394	24,256	53,650	467	1	624	1,019	331	8,956	2,213	67,261
7	Communication	33,462	27,612	61,074	532	2	711	1,159	377	10,195	2,519	76,569
8	Legal and professional charges	439,867	362,965	802,832	6,988	22	9,341	15,242	4,950	134,014	33,117	1,006,506
9	Auditor's fees, expenses etc.											
	(a) As Auditor	1,274	1,052	2,326	20	-	27	44	14	388	96	2,915
	(b) As Advisor or in any other capacity in respect of	-	-	-	-	-	-	-	-	-	-	-
	(i) Taxation matters	170	140	310	3	-	3	6	2	52	13	389
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-	-	-	-
	(c) In any other capacity	-	-	-	-	-	-	-	-	-	-	-
10	Advertisement and publicity	66,246	54,664	120,910	1,052	3	1,407	2,295	746	20,183	4,987	151,583
11	Marketing & support services	1,579,025	1,302,961	2,881,986	25,087	78	33,532	54,715	17,771	4,81,080	118,881	3,613,130
12	Interest and bank charges	29,903	24,675	54,578	475	1	635	1,036	337	9,111	2,251	68,424
13	Others:											
	Policy stamps	1,498	1,236	2,734	4	-	148	11	1	88	778	3,764
	Information & technology Expenses	80,747	66,630	147,377	1,283	4	1,715	2,798	908	24,601	6,079	184,765
	Electricity & water charges	23,478	19,373	42,851	373	1	498	814	264	7,153	1,768	53,722
	Courtesies & entertainment	31,141	25,697	56,838	495	2	661	1,079	350	9,488	2,345	71,258
	Others	25,593	21,119	46,712	407	1	544	887	288	7,797	1,927	58,563
14	Depreciation	38,956	32,146	71,102	619	2	827	1,350	438	11,869	2,933	89,140
15	Service tax expense	33,763	27,860	61,623	536	2	717	1,170	380	10,287	2,542	77,257
	TOTAL	3,096,323	2,554,989	5,651,312	49,174	153	65,869	107,251	34,830	942,986	233,781	7,085,356

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 4B
OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ In '000)

S. No.	Particulars	Previous Year										
		Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Employees remuneration and welfare benefits	454,648	336,630	791,278	6,075	(8)	8,184	12,402	4,760	116,630	35,008	974,329
2	Travel, conveyance and vehicle running expenses	44,138	32,681	76,819	590	(1)	795	1,204	462	11,323	3,398	94,590
3	Training expenses	1,417	1,050	2,467	19	-	26	39	15	364	109	3,039
4	Rent, rates and taxes	135,587	100,390	235,977	1,812	(2)	2,441	3,699	1,419	34,782	10,440	290,568
5	Repairs	44,681	33,083	77,764	597	(1)	805	1,219	468	11,462	3,440	95,754
6	Printing and stationery	28,547	21,137	49,684	381	(1)	514	780	299	7,323	2,198	61,178
7	Communication	31,035	22,979	54,014	414	(1)	559	847	325	7,961	2,390	66,509
8	Legal and professional charges	394,286	291,936	686,222	5,269	(7)	7,098	10,755	4,128	101,145	30,360	844,970
9	Auditor's fees, expenses etc.											
	(a) As Auditor	1,357	1,005	2,362	18	-	24	37	15	348	105	2,909
	(b) As Advisor or in any other capacity in respect of	-	-	-	-	-	-	-	-	-	-	-
	(i) Taxation matters	181	134	315	2	-	3	5	2	46	15	388
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-	-	-	-
	(c) In any other capacity	-	-	-	-	-	-	-	-	-	-	-
10	Advertisement and publicity	60,022	44,441	104,463	802	(1)	1,080	1,637	628	15,397	4,623	128,629
11	Marketing & support services	1,342,250	993,826	2,336,076	17,936	(24)	24,162	36,615	14,052	344,323	103,355	2,876,495
12	Interest and bank charges	30,219	22,375	52,594	404	(1)	544	824	316	7,752	2,328	64,761
13	Others:											
	Policy stamps	1,310	970	2,280	4	-	117	11	-	75	587	3,074
	Information & Technology expenses	83,121	61,544	144,665	1,111	(1)	1,496	2,267	870	21,323	6,400	178,131
	Electricity & water charges	22,742	16,839	39,581	304	-	409	620	238	5,834	1,751	48,737
	Courtesies & entertainment	21,153	15,662	36,815	283	-	381	577	221	5,426	1,627	45,330
	Others	23,826	17,641	41,467	318	-	429	650	249	6,112	1,835	51,060
14	Depreciation	57,479	42,558	100,037	768	(1)	1,035	1,568	602	14,745	4,426	123,180
15	Service tax expense	19,249	14,252	33,501	257	-	346	525	202	4,938	1,482	41,251
	TOTAL	2,797,248	2,071,133	4,868,381	37,364	(49)	50,448	76,281	29,271	717,309	215,877	5,994,882

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 5
SHARE CAPITAL

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Authorised Capital 400000000 Equity Shares of ₹10 each (Previous Year 400000000 Equity Shares of ₹10 each)	4,000,000	4,000,000
2	Issued Capital 269321500 Equity Shares of ₹10 each (Previous Year 269321500 Equity Shares of ₹10 each)	2,693,215	2,693,215
3	Subscribed Capital 269321500 Equity Shares of ₹10 each (Previous Year 269321500 Equity Shares of ₹10 each)	2,693,215	2,693,215
4	Called up Capital 269321500 Equity Shares of ₹10 each (Previous Year 269321500 Equity Shares of ₹10 each)	2,693,215	2,693,215
	Less: Calls unpaid	-	-
	Add: Equity Shares forfeited (amount originally paid up)	-	-
	Less: Par Value of Equity Shares bought back	-	-
	Less: Preliminary Expenses	-	-
	Expenses including commission or brokerage on underwriting or subscription of shares	-	-
	TOTAL	2,693,215	2,693,215

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 5A
SHARE CAPITAL
PATTERN OF SHAREHOLDING
(As certified by the Management)

S. No.		As at 31 st March, 2016		As at 31 st March, 2015	
		Number of Shares	% of Holding	Number of Shares	% of Holding
	Promoters				
	a) Indian	199297910	74	199297910	74
	b) Foreign	70023590	26	70023590	26
	Others	-	-	-	-
	TOTAL	269321500	100	269321500	100

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 6
RESERVES AND SURPLUS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium	2,568,789	2,568,789
4	General Reserve	-	-
5	Catastrophe Reserve	1,166	1,166
6	Other Reserves	-	-
7	Balance of Profit in Profit and Loss Account	7,325,117	5,654,234
	TOTAL	9,895,072	8,224,189

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 7
BORROWINGS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Debentures/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	TOTAL	-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 8
INVESTMENTS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
	LONG TERM INVESTMENTS		
1	Govt. Securities, Govt. guaranteed Bonds incl. Treasury Bills	14,704,212	13,154,565
2	Other Approved Securities	-	-
3	<u>Other Investments</u>		
	Equity Shares	79,388	16,800
	Preference Shares	-	-
	Mutual Funds	-	-
	Derivative Instruments	-	-
	Debenture/Bonds (Housing)	4,928,610	4,513,424
	Non-Convertible Debenture/Bonds	2,759,034	1,300,000
	Other Securities	-	-
	Subsidiaries	5,000	5,000
	Investment Properties - Real Estate	-	-
4	Investment In Infrastructure and social sector	14,269,029	6,966,953
5	Other than approved investments	-	-
	SHORT TERM INVESTMENTS		
1	Govt. Securities, Govt. guaranteed Bonds incl. Treasury Bills	451,645	655,974
2	Other Approved Securities	-	-
3	<u>Other Investments</u>		
	Equity Shares	-	-
	Preference Shares	-	-
	Mutual Funds	490,752	500,313
	Derivative Instruments	-	-
	Debentures & Bonds (Housing)	2,046,041	400,000
	Non-Convertible Debenture/Bonds	751,373	-
	Other Securities	-	-
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investments in Infrastructure & Social Sector	625,699	335,000
5	Other than approved investments	-	-
	TOTAL	41,110,783	27,848,029

Note: Aggregate amount of Company's investment other than listed equity securities and derivative instruments is ₹41,031,395 thousand (Previous year ₹27,831,229 thousand).

Market value of such investments as at 31.03.2016 is ₹42,450,416 thousand (Previous year ₹28,667,512 thousand).

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 9

LOANS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Security-wise Classification Secured		
	(a) On mortgage of property		
	(i) In India	-	-
	(ii) Outside India	-	-
	(b) On shares, Bonds, Govt Securities	-	-
	(c) Others	-	-
	Unsecured	-	-
	Total	-	-
2	Borrower-wise Classification		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Others	-	-
	Total	-	-
3	Performance-wise Classification		
	(a) Loans classified as standard		
	(i) in India	-	-
	(ii) outside India	-	-
	(b) Non-performing loans less provisions		
	(i) in India	-	-
	(ii) outside India	-	-
	Total	-	-
4	Maturity-wise Classification		
	(a) Short Term	-	-
	(b) Long Term	-	-
	TOTAL	-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 10
FIXED ASSETS

(₹ in '000)

Particulars	Gross Block			Depreciation			Net Block			
	As at 1 st April, 2015	Additions during the year	Sales/ Adjustments during the year	As at 31 st March, 2016	Upto 31 st March, 2015	For the Year	On Sales/ Adjustments	Upto 31 st March 2016	As at 31 st March, 2016	As at 31 st March, 2015
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles:	-	-	-	-	-	-	-	-	-	-
- Computer Software	206,778	2,404	-	209,182	183,806	16,344	-	200,150	9,032	22,972
Land - Freehold	37,849	-	-	37,849	-	-	-	-	37,849	37,849
Leasehold Property	-	-	-	-	-	-	-	-	-	-
Buildings	12,251	-	-	12,251	1,004	202	-	1,206	11,045	11,247
Furniture & Fittings	274,328	10,488	26	284,789	216,735	18,131	26	234,839	49,950	57,593
Information Technology Equipment	497,674	72,270	219	569,726	443,204	44,351	219	487,336	82,390	54,470
Vehicles	5,319	3,727	2,831	6,215	2,241	806	1,094	1,953	4,262	3,078
Office Equipment	83,845	4,951	797	87,999	62,747	11,896	797	73,846	14,153	21,098
Others	-	-	-	-	-	-	-	-	-	-
TOTAL	1,118,044	93,840	3,873	1,208,011	909,737	91,730	2,136	999,330	208,681	208,307
Capital Work In Progress	6,299	12,014	6,299	12,014	-	-	-	-	12,014	6,299
Grand Total	1,124,343	105,854	10,172	1,220,025	909,737	91,730	2,136	999,330	220,695	214,606
Previous Year Total	1,066,743	70,450	12,850	1,124,343	790,071	127,053	7,385	909,737	214,606	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 11

CASH AND BANK BALANCES

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Cash (including cheques, drafts and stamps)	13,276	52,252
2	Bank Balances		
	(a) Deposit Accounts		
	(i) Short term (due within 12 months)	6,919,851	13,650,000
	(ii) Others	280,000	2,190,000
	(b) Current Accounts	926,239	803,587
	(c) Others	-	-
3	Money at call & short notice		
	With Banks	-	-
	With Other Institutions	-	-
4	Others	-	-
	TOTAL	8,139,366	16,695,839
	Balances with non-scheduled banks included in 2 and 3 above	-	-

Note: Balance with Banks in current accounts above, includes liquid flexi term deposit of ₹614,980 thousand (Previous year ₹574,206 thousand).

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 12

ADVANCES AND OTHER ASSETS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
	ADVANCES		
1	Reserve Deposit with Ceding Companies	-	-
2	Application Money for Investments	-	-
3	Pre-payments	82,680	143,103
4	Advance to Directors/Officers	-	-
5	Advance Tax Paid and Tax Deducted at source (Net of provision for taxation)	231,179	-
6	Deposit towards Rent	65,027	54,121
7	Service Tax Recoverable	-	-
8	Others	19,110	13,313
	TOTAL (A)	397,996	210,537
	OTHER ASSETS		
1	Income accrued on Investments/FDRs	1,944,851	1,972,321
2	Outstanding Premiums	1,210,534	1,299,518
3	Agents' Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from entities carrying on insurance business (including reinsurers)	2,133,264	1,383,641
6	Due from Subsidiaries/Holdings	-	-
7	Deposit with Reserve Bank of India {Pursuant to Section 7 of Insurance Act, 1938}	-	-
8	Others	-	-
	TOTAL (B)	5,288,649	4,655,480
	TOTAL (A+B)	5,686,645	4,866,017

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 13
CURRENT LIABILITIES

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Agents Balances	119,143	162,624
2	Balances due to other insurance companies (including reinsurers)	678,598	1,044,031
3	Deposits held on reinsurances ceded	-	-
4	Premiums received in advance	396,688	875,664
5	Unallocated premium	-	-
6	Sundry Creditors	658,027	456,571
7	Due to subsidiaries/holding company	49,249	59,222
8	Claims outstanding *	25,060,923	22,194,039
9	Due to Officers/Directors	-	-
10	Deposit Premium	224,223	156,563
11	Service Tax Payable	346	40,156
12	Employee Benefit	154,284	144,340
13	Unclaimed Amount of Policyholders	310,308	229,372
	TOTAL	27,651,789	25,362,582

* Claims Outstanding Includes ₹3,969,467 thousand (Previous Year ₹4,904,065 thousands) on account of settlement received from the IMTPIP towards the company's share of claim liability determined by the pool upto the date of dismantling (Net of claims paid upto reporting period).

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 14
PROVISIONS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Reserve for Unexpired Risk	15,082,288	13,540,696
2	For Taxation (less advance tax paid and taxes deducted at source)	-	58,020
3	For Proposed Dividends	-	-
4	For Dividend Distribution Tax	-	-
5	For Premium Deficiency	4,885	-
	TOTAL	15,087,173	13,598,716

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 15
MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Discount allowed in issue of shares/debentures	-	-
2	Others	-	-
	TOTAL	-	-

ACCOUNTING POLICIES & NOTES ON **ACCOUNTS**



SCHEDULE 16: NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statement:

The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting in accordance with the generally accepted accounting principles and conform to the statutory requirements prescribed under the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 including directions thereon, the Insurance Act, 1938, the provisions of Companies Act, 2013 including notified Accounting Standards there under except otherwise stated.

2. Use of Estimates:

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent assets & liabilities. Such estimates and assumptions are based on the management's evaluation of the relevant facts and circumstances as on the date of financial statements. Any revision to the accounting estimates is recognised prospectively in the period in which the results are known/materialised.

3. Revenue Recognition:

- 3.1 Premium and cession thereof are recognised over the contract period or the period of the risk in respective revenue account following 1/365 method.

Reserve for unexpired risk representing premium attributable to the succeeding accounting period is maintained based on the above method except in Marine Hull business and reinsurance premium acceptances in respect of Terrorism Pool for Fire & Miscellaneous business, where the reserve

for unexpired risk is maintained at hundred percent of the Net Premium during the preceding twelve months.

- 3.2 Any subsequent revision to the premium under the policies is accounted for in the period in which they occur.

- 3.3 Premium deficiency is recognised whenever expected claim costs, related expenses and maintenance costs exceeds related reserve for unexpired risks for each segment of business.

- 3.4 Reinsurance Inward acceptances are accounted for on the basis of returns, to the extent received, from the insurers.

- 3.5 Commission on reinsurance cessions are recognized as income in the period in which the premium is ceded. Profit commission under reinsurance treaties, wherever applicable, is recognised on the determination of profit for the period.

- 3.6 Interest Income is recognised on accrual basis.

- 3.7 Dividend income is recognised when the right to receive dividend is established.

- 3.8 Profit or Loss on sale/redemption of investments which is the difference between sale consideration and carrying value is recognized on trade date and includes effects of accumulated fair value changes, previously recognised, for specific investments sold/redeemed during the year. In determining realized gain/loss, cost of securities is arrived at on 'Weighted average cost' basis and sale consideration for the purpose of realised gain/loss is net of Brokerage and taxes, if any.

4. Allocation of Investment Income between Revenue Accounts and Profit and Loss Account:

Investment income is apportioned to Profit and Loss Account and Revenue Accounts in the ratio of average of Shareholders Funds and Policyholders Funds standing in each

class of business at the end of each month.

5. Claims Incurred:

- 5.1 Liability in respect of claims is provided for the intimations received up to the year-end based on the surveyor's assessment, information provided by the insured, judgment based on past experience and other applicable laws and practices. However, in respect of claims under re-insurance acceptances, the claim liability is provided based on the returns/advice, to the extent received, from the Reinsurers.
- 5.2 Liability in respect of "claims incurred but not reported" (IBNR) and "Claims incurred but not enough reported" (IBNER) is provided for on actuarial estimates as certified by the "Appointed Actuary".
- 5.3 Salvage/Recoveries under claims are netted against "Claims Incurred" and are accounted for on realisation.

6. Allocation of Operating Expenses:

Operating expenses other than policy stamps are apportioned to respective revenue accounts on the basis of net premium in each class of business at the end of financial year. Expenses relating to policy stamps are directly taken to the respective revenue accounts. Expenses incurred and/or allocable exclusively for earning investment income are charged to Profit and Loss account.

7. Acquisition Cost of insurance contracts

Cost relating to acquisition of new/renewal of insurance contracts are expensed in the period in which they are incurred.

8. Investments:

Investments are recorded on the trade date at the acquisition cost.

Classification

Investment maturing within twelve months from the Balance Sheet date and investments made with specific intention to dispose off

within twelve months from the Balance Sheet date are classified as Short term Investments. Other investments are classified as Long term Investments.

Valuation

- (i) Debt securities including Government securities are considered as held to maturity and are valued at cost subject to amortisation by charging off/crediting investment income with the difference of acquisition cost and maturity value over the unexpired period of maturity on straight line method.
- (ii) Investments in units of mutual funds are valued at Net Asset Value (NAV).
- (iii) Equity securities listed and actively traded are stated at fair value, being the last quoted closing price on the National Stock Exchange (NSE). However, in case of any stock not being listed at NSE, the same is valued based on the last quoted closing price on Bombay Stock Exchange (BSE).
- (iv) Any unrealised gain/loss arising due to change in fair value of mutual fund investments and listed equity shares is accounted in 'Fair Value Change Account' and carried forward in the Balance Sheet and is not available for distribution.
- (v) Investment in subsidiary company is valued at cost less permanent diminution, if any.

9. Fixed Assets:

Fixed Assets are stated at their cost of acquisition less accumulated depreciation/amortisation. Capital Work in Progress is stated at cost.

10. Depreciation/Amortisation:

- 10.1 Depreciation on Fixed Assets is provided on straight line method based on useful life as provided in Schedule II of the Companies Act, 2013 except

- (i) Fixtures in rented premises are depreciated proportionately over the residual lease period wherever the lease period is less than the useful life specified in Schedule II.
- (ii) Information Technology Equipments – Servers & Networks are depreciated over their useful life of three years on straight line method.
- (iii) Fixed Assets having value up to ₹5000 are fully depreciated in the year of acquisition.

10.2 Software is amortised over its useful life of three years on straight line method.

11. Pre-Paid Expenses:

Expenditure up to ₹25,000 in each case is accounted for in the year in which the same is incurred.

12. Foreign Currency Transactions:

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of the transaction.

The monetary items remaining outstanding as on the date of Balance Sheet are translated at the exchange rate as on that date.

Exchange Gain/Loss on settlement / translation of foreign currency transactions is recognised as income/expense.

13. Income Tax:

Income tax comprises of Current Tax and Deferred Tax. Deferred tax, resulting from 'timing differences' between book and taxable profits, is accounted for using the tax rates and laws that have been enacted or substantively enacted. The deferred tax asset is recognised and carried only to the extent that there is a reasonable/virtual certainty that the asset will be realised in future.

14. Employee Benefits

14.1 The Liability for Gratuity is covered by the "Group Gratuity Cash Accumulation Scheme" with an Insurance Company. The liability is accounted for based on actuarial valuation as on the date of Balance Sheet.

14.2 Liability for leave encashment is provided for on the basis of actuarial valuation as on the date of Balance Sheet.

14.3 Provident Fund and Family Pension Scheme contributions and liability towards Leave Travel Assistance (LTA) are accounted for on accrual basis.

14.4 Gains/losses arising out of the actuarial valuation are recognised immediately in the accounts.

15. Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date for indications of any impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of the asset exceeds its recoverable amount. Any such impairment loss is recognised by charging it to the profit and loss account. A previously recognised impairment loss is reversed where it no longer exists and the asset is restated to that effect.

16. Provisions & Contingencies:

A provision, other than those relating to contract with policy holders, is recognised when there is present obligation arising out of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability. Contingent liability in respect of Show Cause Notices is considered only when converted into demand.

B. NOTES FORMING PART OF ACCOUNTS

I. Statutory disclosures as required by IRDA

1. The company has all the assets within India. The assets of the company are free from all encumbrances.
2. a) Commitments made and outstanding for loans and investments are Nil (Previous Year-Nil).
b) The company has committed ₹39,667 Thousand (Previous Year ₹10,963 Thousand) for the purchase of fixed assets.
3. Claims, less reinsurance, paid to claimants in/outside India during the year under various class of business are as under:

(₹ in '000)

Class of Business	In India		Outside India	
	Year ended 31.3.2016	Year ended 31.3.2015	Year ended 31.3.2016	Year ended 31.3.2015
Fire	278,170	179,182	8,380	-
Marine	397,826	343,038	-	-
Miscellaneous	17,712,297	12,338,275	(1,497)	20,072

4. Age-wise breakup of claims outstanding on Gross basis under various class of business as at 31st March, 2016 is as under:

(₹ in '000)

Class of Business	Outstanding for more than 6 months		Other Claims	
	As at 31.3.2016	As at 31.3.2015	As at 31.3.2016	As at 31.3.2015
Fire	1,427,932	2,556,526	745,906	542,921
Marine	601,216	568,755	272,813	669,872
Miscellaneous	10,147,485	10,576,101	2,144,456	2,526,056

5. Claims settled and remaining unpaid for a period of more than six months as at 31st March, 2016 is Nil (Previous Year Nil).
6. (a) Premium less reinsurances written during the year under various classes of business is as under:

(₹ in '000)

Class of Business	In India		Outside India	
	Year ended 31.3.2016	Year ended 31.3.2015	Year ended 31.3.2016	Year ended 31.3.2015
Fire	466,749	373,152	-	3,254
Marine	368,542	413,674	-	-
Miscellaneous	28,755,785	25,125,708	-	(778)

(b) No premium income is recognised on “varying risk pattern” basis.

(c) Extent of risk retained and reinsured is as under:

Class of Business	Risk Retained		Risk Reinsured	
	Year ended 31.3.2016	Year ended 31.3.2015	Year ended 31.3.2016	Year ended 31.3.2015
Fire	15.07%	13.51%	84.93%	86.49%
Marine	30.33%	35.09%	69.67%	64.91%
Miscellaneous	86.32%	83.69%	13.68%	16.31%

(d) There are no insurance contracts where the claim payment period exceeds four years.

7. All the investments held by the company as at 31st March, 2016 and 31st March, 2015 are performing investments.
8. Value of Contracts in relation to Investments for :

(₹ in '000)

	As at 31.3.2016	As at 31.3.2015
Purchases where deliveries are pending	Nil	Nil
Sales where payments are overdue	Nil	Nil

9. Fair value of Investments in Mutual Fund & listed Equity shares as at 31st March 2016 is ₹570,140 Thousand (previous year ₹517,113 Thousand) and historical cost of the same is ₹576,599 Thousand (Previous year ₹518,124 Thousand).
10. Sector wise business executed by the company is as follows:

	Year ended 31.3.2016	Year ended 31.3.2015
Urban Areas	88.88%	86.59%
Rural Areas	11.12%	13.41%
Social Sector	2.71%	3.97%
Gross Premium	₹1,000,224 Thousand	₹1,323,118 Thousand
Number of Policies Issued	559 Thousand	444 Thousand
Number of Lives Covered (Estimated)	3,423 Thousand	7,236 Thousand

11. Managerial remuneration paid during the year is as under:

(₹ in '000)

	Year ended 31.3.2016		Year ended 31.3.2015	
	Managing Director	Whole-time Directors	Managing Director	Whole-time Directors
Salaries and Allowances	10,659	9,216	11,019	10,030
Contribution to Provident Fund	373	391	359	383
Total *	11,032	9,607	11,378	10,413

* Excludes provision for leave encashment and the gratuity contributions which are determined actuarially on an overall basis and accordingly have not been considered in the above information.

The remuneration as above has been approved by the IRDA.

12. Summary of Financial Statements

(₹ in Lacs)

S. No.	Particulars	2015-16	2014-15	2013-14	2012-13	2011-12	
	OPERATING RESULTS						
1.	Gross Direct Premiums	369,133.17	332,996.78	293,092.29	256,503.08	197,524.38	
2	Net Premium	295,910.76	259,150.10	202,369.45	185,920.93	142,329.78	
3	Income from Investments	36,291.62	31,135.81	26,282.22	22,344.75	16,157.94	
4	Other Income	102.86	(13.10)	33.13	147.8	(5.04)	
5	Total Income	332,305.24	290,272.81	228,684.80	208,413.48	158,482.68	
6	Commission (Net) Including Brokerage	4,953.92	3,706.75	(3,223.36)	(468.27)	(1,199.53)	
7	Operating Expenses	72,910.91	61,833.28	50,203.41	44,519.92	35,257.34	
8	Net Incurred Claims	221,966.58	168,152.63	148,173.35	124,544.77	123,366.51	
9	Increase in Unexpired Risk Reserve	15,415.92	32,405.33	7,059.07	23,512.57	9061.63	
	Total Expenses	315,247.33	266,097.98	202,212.47	192,108.99	166,485.95	
10	Operating Profit/(Loss)	17,057.91	24,174.82	26,472.33	16,304.49	(8,003.27)	
	NON OPERATING RESULT						
11	Total Income under Shareholders Account	6,935.55	6,035.02	5,777.74	3,323.87	3,340.42	
12	Profit/(Loss) before Tax	23,993.45	30,209.84	32,250.07	19,628.36	(4,662.85)	
13	Provision for Tax	7,284.62	9,608.60	10,641.57	6,149.15	(1,483.13)	
14	Profit/(Loss) after Tax	16,708.83	20,601.24	21,608.50	13,479.21	(3,179.72)	
	MISCELLANEOUS						
15	Policy Holder Account: Total Funds	483,106.34	436,880.29	357,605.72	311,744.00	232,850.00	
	Total Investments	483,106.34	436,880.29	357,605.72	311,744.00	232,850.00	
	Yields on Investments	9.31%	9.26%	9.18%	9.26%	9.11%	
16	Shareholder Account: Total Funds Total Investment Yields on Investments	No Segregation between Shareholder and Policyholder Funds has been made					
17	Paid up Equity Capital	26,932.15	26,932.15	26,932.15	26,932.15	26,932.15	
18	Net Worth	125,882.87	109,174.04	88,572.80	66,964.30	53,485.09	
19	Total Assets	553,207.89	498,776.91	415,077.44	357,054.10	285,189.50	
20	Yield on Total Investments	9.31%	9.26%	9.18%	9.26%	9.11%	
21	Earnings Per Share (In ₹)	6.20	7.65	8.02	5.00	(1.29)	
22	Book Value Per Share (In ₹)	46.74	40.54	32.89	24.86	19.86	
23	Total Dividend	-	-	-	-	-	
24	Dividend Per Share (In ₹)	-	-	-	-	-	

13. Performance Ratios:

S. No.	Particular	2015-2016	2014-2015
1	Gross Direct Premium Growth Rate #	10.85%	13.61%
	FIRE	14.44%	8.89%
	MARINE	2.45%	-2.95%
	MISCELLANEOUS	10.89%	14.75%
2	Gross Direct Premium to Net Worth Ratio (In Times)	2.93	3.05
3	Growth rate of Net Worth	15.30%	23.25%
4	Net Retention Ratio #	78.65%	76.25%
	FIRE	15.07%	13.51%
	MARINE	30.33%	35.09%
	MISCELLANEOUS	86.32%	83.69%
5	Net Commission Ratio #	1.67%	1.43%
	FIRE	-56.24%	-40.20%
	MARINE	-18.51%	-11.85%
	MISCELLANEOUS	2.87%	2.27%
6	Expense of Management to Gross Direct Premium Ratio	23.57%	22.43%
7	Expense of Management to Net Written Premium Ratio	29.40%	28.83%
8	Net Incurred Claims to Net Earned Premium	79.13%	74.16%
9	Combined Ratio #	105.45%	99.45%
10	Technical Reserves to Net Premium Ratio (In Times)	1.36	1.38
11	Underwriting Balance Ratio	-6.89%	-3.06%
	FIRE	77.01%	60.73%
	MARINE	-6.74%	12.95%
	MISCELLANEOUS	-8.28%	-4.57%
12	Operating Profit Ratio	6.04%	10.67%
13	Liquid Assets to Liabilities Ratio	0.31	0.52
14	Net Earning Ratio	5.65%	7.95%
15	Return on Net worth Ratio	13.27%	18.87%
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio (In Times)	1.60	1.65
17	NPA Ratio		
	Gross NPA Ratio	-	-
	Net NPA Ratio	-	-

S. No.	Equity Holding Pattern for Non-Life Insurers	As at 31 st March, 2016	As at 31 st March, 2015
1	No. of Shares	269,321,500	269,321,500
2	Percentage of Shareholding (Indian/Foreign)	74/26	74/26
3	% of Government Holding (in case of public sector insurance companies)	N. A.	N. A.
4	Basic and Diluted EPS before extraordinary items (net of tax expense) for the year (₹)	6.20	7.65
5	Basic and Diluted EPS after extraordinary items (net of tax expense) for the year (₹)	6.20	7.65
6	Book Value Per Share (₹)	46.74	40.54

All ratios are related to Indian operations as Company does not have any foreign operations.

14. The investments as at the year end have not been allocated into Policy Holders funds and Shareholders funds as the same are not specifically earmarked separately.
15. No depreciation is allocable to the Profit and Loss Account based on the 'use' of the asset.
16. Details of certain expenses as required by IRDA are as under:

(₹ in '000)

Particulars	2015-16	2014-15
Outsourcing Expenses (Manpower)	150,980	127,331
Business Development	708,570	613,229
Marketing and Support Services	3,718,083	2,966,950

17. Details of penal actions by various Government Authorities during the year are as under:

S. No.	Authority	Non-compliance / Violation	Amount in (₹'000)		
			Penalty Awarded	Penalty Paid	Penalty waived/Reduced
1.	Insurance Regulatory and Development Authority	Non Compliance of IRDAI (Licencing of Corporate Agents) Regulations, 2002	1,000	1,000	Nil
2.	Service Tax Authorities	None	Nil	Nil	Nil
3.	Income Tax Authorities	None	Nil	Nil	Nil
4.	Any other Authorities	None			
5.	Enforcement Directorate/ Adjudicating Authority/Tribunal or any Authority under FEMA	None	Nil	Nil	Nil
6.	Registrar of Companies/NCLT/ CLB/Department of Corporate Affairs or any Authority under Companies Act, 1956	None	Nil	Nil	Nil
7.	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	None	Nil	Nil	Nil
8.	Securities and Exchange Board of India	None	Nil	Nil	Nil
9.	Competition Commission of India	None	Nil	Nil	Nil
10.	Any other Central State/Local Government/Statutory Authority	None	Nil	Nil	Nil

Note: All Previous year figures are Nil.

18. Age-wise analysis of the Unclaimed Amount of Policyholder.

(₹ in '000)

Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders 2015-16								
S. No.	Particulars	Total Amount	AGE-WISE ANALYSIS					
			4 - 12 months	13 - 18 months	19 - 24 months	25 - 30 months	31 - 36 months	Beyond 36 months
A	Claims settled but not paid to the policyholders/ insured due to any reasons except under litigation from the insured/ policyholders	-	-	-	-	-	-	-
B	Sum due to the insured/ policyholders on maturity or otherwise	-	-	-	-	-	-	-
C	Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	97,048	53	88	151	2,016	1,523	15,871
D	Cheques issued but not encashed by the policyholder/ insured	213,260	15,102	10,603	12,070	22,331	11,187	141,967

19. Management expenses are apportioned to Revenue Accounts on the basis of Net Premium as per Accounting Policy on 'Allocation of Operating Expenses' (Schedule 16 A (6)). Detail of apportioned expenses is furnished in Schedule 4 (Operating Expenses relating to Insurance business).
20. As certified by Appointed Actuary, Premium Deficiency amounting ₹4,885 Thousand (Previous year- Nil) has been provided in the accounts for Marine Cargo segment.
21. Expenses in the nature of Marketing Support Services booked under the head 'Travel, Conveyance and Vehicle Running Expenses & Professional Expenses' in previous year have been regrouped under 'Marketing and Support Services' in Schedule 4 for better presentation in the accounts.

II. Disclosures required under Accounting Standards

1. Accounting Standard-1 “Disclosure of Accounting Policies”

- a) The company has revised the Accounting Policy of Revenue Recognition in respect of Marine Cargo policies w.e.f. 01.04.2015. Now premium & cession thereof are recognised over the contract period or the period of risk following 1/365 method as against the earlier policy of recognizing the same after 60 days from the date of inception of the risk. Consequently Profit before tax for the year is higher by ₹38,831 thousand.
- b) Hitherto reserve for unexpired reserve representing premium attributable to the succeeding accounting period is maintained subject to minimum amount of reserve as required under the Insurance Act,1938.

During the year company has changed its accounting policy in line with IRDA Circular dated 04.04.2016, wherein requirement of maintenance of minimum unexpired risk reserve is dispensed with for all classes of business except Marine Hull. However there is no impact of the same on the profit for the year.

- c) In line with directions issued by Insurance Regulatory and Development Authority of India (IRDAI) vide Corrigendum on Master Circular dated 03.07.2013, the company has revised the Accounting Policy of recognition of Premium deficiency w.e.f. 01.04.2015. Now premium deficiency is recognised at Segmental Revenue Account level as against the earlier policy of recognizing the same at major class of business viz. Fire, Marine & Miscellaneous. Consequently profit before tax for the year is lower by ₹4,885 thousand.

2. Accounting Standard-15 “Employee Benefits”

- a. General description of the defined benefit scheme:

Gratuity	Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of five years or more.
Leave Encashment	Payable on encashment during the service or on separation to the eligible employees who have accumulated earned leave.
Provident Fund	The Company pays fixed contribution to Provident Fund Trust. Contribution to Family Pension Scheme is paid to appropriate authority. The contribution for ₹42,194 thousand (previous year ₹36,613 thousand) has been recognised as expense in the accounts.

- b. Other disclosures as required under AS-15 (Revised 2005) on “Employee Benefits” in respect of defined benefit obligations are as under:

- i. Expenses recognised in Profit & Loss Account

(₹ in '000)

	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Current Service Cost	11,950	10,420	8,066	5,731	5,773	24,124	20,198	15,224	10,765	10,017
Interest cost on benefit obligation	5,797	5,090	3,285	3,056	3,447	9,653	8,559	5,626	4,925	4,925
Expected return on plan assets	(4,677)	(3,539)	(3,925)	(3,739)	(2,912)	-	-	-	-	-
Net actuarial (Gain)/ loss recognised in the year	(2,462)	7,808	12,909	(4,283)	(9,827)	2,495	18,129	26,756	7,757	(6,680)
Expenses recognised in the Profit & Loss Account	10,608	19,780	20,335	765	(3,518)	36,272	46,886	47,606	23,447	8,262

ii. The amount recognised in the Balance Sheet

(₹ in '000)

	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of obligation at end of year (I)	84,072	74,802	58,174	39,823	37,046	1,43,676	124,559	97,818	68,190	59,695
Fair Value of Plan assets at end of year (ii)	73,464	55,022	40,446	42,430	40,419	-	-	-	-	-
Difference (ii-i) i.e. Assets/ (Liabilities)	(10,608)	(19,780)	(17,728)	2,607	3,373	(1,43,676)	(124,559)	(97,818)	(68,190)	(59,695)
Net Asset/(liability) recognised in the Balance Sheet	(10,608)	(19,780)	(17,728)	2,607	3,373	(1,43,676)	(124,559)	(97,818)	(68,190)	(59,695)

iii. Changes in the present value of the Defined Benefit Obligations:

(₹ in '000)

	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of obligation at beginning of year	74,802	58,174	39,823	37,046	41,777	1,24,559	97,818	68,190	59,695	59,697
Interest Cost	5,797	5,090	3,285	3,056	3,447	9,653	8,559	5,626	4,925	4,925
Current Service Cost	11,950	10,420	8,066	5,731	5,773	24,124	20,198	15,224	10,765	10,017
Benefit Paid	(6,249)	(7,044)	(5,695)	(5,339)	(1,357)	(17,155)	(20,146)	(17,978)	(14,952)	(8,264)
Net actuarial (Gain)/Loss on obligation	(2,228)	8,161	12,695	(671)	(12,594)	2,495	18,129	26,756	7,757	(6,680)
Present value of the defined benefit as at end of year	84,072	74,802	58,174	39,823	37,046	1,43,676	124,559	97,818	68,190	59,695

iv. Changes in the fair value of plan assets:

(₹ in '000)

	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Fair value of plan assets at beginning of year	55,022	40,446	42,430	40,419	29,017	-	-	-	-	-
Expected return on plan assets	4,677	3,539	3,925	3,739	2,912	-	-	-	-	-
Contributions by employer	19,780	17,727	-	-	12,615	-	-	-	-	-
Benefits Paid	(6,248)	(7,044)	(5,695)	(5,339)	(1,357)	-	-	-	-	-
Actuarial Gain/(Loss) on plan assets	233	353	(214)	3,611	(2,767)	-	-	-	-	-
Fair value of plan assets at end of year *	73,464	55,022	40,446	42,430	40,419	-	-	-	-	-

* Gratuity Fund is managed by Life Insurance Corporation of India (LIC). Individual investment wise details of the plan assets are not being provided by LIC.

v. Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

	Gratuity (Funded)					Leave Encashment (Non-Funded)				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Method used	Projected Unit Credit Method									
Discount rate	7.75%	7.75%	8.75%	8.25%	8.25%	7.75%	7.75%	8.75%	8.25%	8.25%
Future salary escalation	6.00%	6.00%	6.00%	5.00%	5.00%	6.00%	6.00%	6.00%	5.00%	5.00%
Mortality rate	IALM (2006-08)									
Withdrawal rate	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1%
Expected rate of return on plan assets	8.50%	8.75%	9.25%	9.25%	9.25%	-	-	-	-	-

The estimate of future salary increase considered in actuarial valuation, take into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

3. Accounting Standard-17 'Segment Reporting'

The Company's primary reportable segments are business segments, which have been identified in accordance with the Regulations. Disclosure as required is provided as under:

a) Business Segments

(₹ in '000)

	Year ended 31 st March, 2016	Year ended 31 st March, 2015
SEGMENT REVENUE:		
Fire Insurance	3,176,511	2,865,395
Marine Insurance	1,294,574	1,260,549
Motor Insurance-OD	14,027,655	13,017,961
Motor Insurance-TP	13,237,476	11,096,490
Engineering Insurance	726,085	700,204
Workmen Compensation Insurance	298,969	238,899
Personal Accident Insurance	532,455	400,730
Product Liability Insurance	225,495	197,835
Health Insurance	4,528,666	3,688,766
Trade Credit	681,370	692,751
Other Insurance	2,524,309	2,940,779
Investment	694,915	580,305
Total	41,948,480	37,680,664
SEGMENT RESULT: Profit / (Loss)		
Fire Insurance	420,339	313,090
Marine Insurance	47,906	145,677
Motor Insurance - OD	574,057	1,101,830
Motor Insurance - TP	1,360,026	639,355
Engineering Insurance	117,569	112,040
Workmen Compensation Insurance	114,074	99,503
Personal Accident Insurance	44,795	55,461
Product Liability Insurance	83,889	86,943
Health Insurance	(1,258,000)	(605,032)
Trade Credit	61,779	64,626
Other Insurance	139,357	403,991
Investments	685,787	572,873
Unallocable	7,767	30,629
Total Profit before Tax	2,399,345	3,020,984

Less: Provision for Taxation	728,462	960,860
Profit After Tax	1,670,883	2,060,124
SEGMENT ASSETS:	As at 31st March, 2016	As at 31st March, 2015
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Trade Credit	-	-
Other Insurance	-	-
Investments	48,310,634	43,688,029
Total:	48,310,634	43,688,029
Add: Unallocable Assets	7,010,155	6,189,662
Total	55,320,789	49,877,691
SEGMENT LIABILITIES:	As at 31st March, 2016	As at 31st March, 2015
Fire Insurance	816,445	834,708
Marine Insurance	702,593	722,849
Motor Insurance - OD	8,044,249	7,492,866
Motor Insurance - TP	26,053,489	22,486,790
Engineering Insurance	393,735	420,277
Workmen Compensation Insurance	196,543	159,335
Personal Accident Insurance	379,629	298,932
Product Liability Insurance	155,215	140,140
Health Insurance	2,126,778	1,777,925
Trade Credit	37,136	22,435
Other Insurance	1,242,284	1,378,479
Investments	-	-
Total:	40,148,096	35,734,735
Add: Unallocable Liabilities	2,590,865	3,226,564
Total	42,738,962	38,961,298
Cost incurred to acquire segment assets (Fixed Assets):		
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Trade Credit	-	-
Other Insurance	-	-
Investments	-	-
Total:	-	-
Add: Unallocable Fixed assets	99,555	65,217
Total	99,555	65,217
Amount of expenses included in segment result for depreciation and amortisation in respect of assets:	Year ending 31st March, 2016	Year ending 31st March, 2015
Fire Insurance	1,447	1,845
Marine Insurance	1,143	2,028
Motor Insurance - OD	38,956	57,479

Motor Insurance - TP	32,146	42,558
Engineering Insurance	619	768
Workmen Compensation Insurance	827	1,035
Personal Accident Insurance	1,350	1,568
Product Liability Insurance	438	602
Health Insurance	11,869	14,745
Trade Credit	146	178
Other Insurance	2,789	4,247
Investments	-	-
Total:	91,730	127,053
Add: Unallocable Expenses	-	-
Total	91,730	127,053

Assets and Liabilities of the Company, which are not identifiable with any of the segments, have been classified as Unallocable.

b) Geographical Segment

Since the Company's entire business is conducted within India, there is no reportable Geographical Segmentation for the year.

4. Accounting Standard - 18 'Related Party Disclosures'

The transactions between the company and its related parties during the year are as under:

(₹ in '000)

Name of the Related Parties	Nature of Related Party Relationship	Description of Nature of Transactions	2015-16	2014-15
Indian Farmers Fertilizers Coop. Ltd.	Promoters with more than 20% Voting rights	Premium accounted from direct business	798,245	654,651
		Claims paid on direct basis	1,257,391	207,664
		Payment of Rent and other expenses	224,482	223,367
		Deposit of Insurance Premium	2,500	2,500
		Amount Payable/(Receivable) at the Balance Sheet Date	3,405	-
Indian Potash Limited	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	134,886	83,674
		Claim paid on direct basis	135,948	113,917
		Deposit of Insurance Premium	100	100
		Amount Payable/(Receivable) at the Balance Sheet Date	(150)	-
Tokio Marine Asia Pte. Ltd. (formerly Millea Asia Pte. Ltd.)	Promoters with more than 20% Voting rights	Payment of Professional Fee	5,329	5,939
		Claim/Reimbursement of Expenses	1,499	1,136
		Payment of Fee	1,005	1,313
Tokio Marine & Nichido Fire Insurance Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Reinsurance Premium	382,261	393,246
		Commission Earned on Premium Ceded	91,307	85,671
		Losses Recovered from Reinsurer	196,481	158,723
		Claim/Reimbursement of Expenses	256	169
		Amount Payable/(Receivable) at the Balance Sheet Date	350	42,951
Tokio Marine Kiln Singapore Pte. Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	7,748	-
		Commission Earned on Premium Ceded	1,963	-
		Losses Recovered from Re-insurer	24,977	-
		Amount Payable/(Receivable) at the Balance Sheet Date	425	-
Tokio Marine Insurance Singapore Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Reinsurance Premium	103,292	111,617
		Commission Earned on Premium Ceded	22,286	18,274
		Losses Recovered from Reinsurer	118,505	48,150
		Amount Payable/(Receivable) at the Balance Sheet Date	(3,098)	20,450
		Claim/Reimbursement of Expenses	-	36
		Payment of Fee	-	55
Tokio Marine Europe Insurance Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Reinsurance Premium	-	179
		Commission Earned on Premium Ceded	-	62
		Amount Payable/(Receivable) at the Balance Sheet Date	116	116

Tokio Marine Kiln Regional Underwriting Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Reinsurance Premium	160	1,098
		Commission Earned on Premium Ceded	2	82
Tokio Marine & Nichido Risk Consulting Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	287
Tokio Marine Insurance (Malaysia) Behard	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	-	59
		Payment of Fee	416	425
Tokio Marine Indonesia	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	24	-
Tokio Marine Services Europe Ltd.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	1,056	9,343
		Payment of Fee	1,099	1,572
TM Claim Services Inc.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	5,628	8,400
		Payment of Fee	2,493	2,619
Tokio Marine Management Australasia Pty. Ltd.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	1,340	2,294
		Payment of Fee	305	1,269
The Tokio Marine Claim Services Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	90	-
		Payment of Fee	28	-
TM Management Services Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	577
Tokio Marine Insurance (Thailand) Public Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	441
IFFCO Kisan Sanchar Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	4,945	2,163
		Claims paid on direct basis	2,820	1,134
K. Srinivasa Gowda	Chairman	Payment of Rent on office Building	4,800	4,800
IFFCO-TOKIO Insurance Services Ltd.	Subsidiary of the Company with 100% Voting Rights	Premium accounted from direct business	3,881	3,110
		Claims paid on direct basis	4,181	2,572
		Recovery of Expenses	6,239	6,984
		Payment of - Commission	63,410	63,619
		Payment of Service Charges	645,160	549,610
		Amount Payable/(Receivable) at the Balance Sheet Date	49,249	59,222
IFFCO Kisan Bazar & Logistics Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	1,647	874

IFFCO MC Crop Science Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	527	-
IFFCO Kisan SEZ Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	278	325
		Claims paid on direct basis	73	78
Indian Farm Forestry Development Cooperative Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	594	128
		Claims paid on direct basis	853	123
		Payment for CSR activity- IFFDC being implementation agency	10,086	-
IFFCO Chhattisgarh Power Limited	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	786	485
		Claims paid on direct basis	351	537
Yogesh Lohiya	Managing Director & Chief Executive Officer	Remuneration-Key Management Personnel	11,032	11,379
H. O. Suri	Director-Marketing		4,581	5,373
Ichiro Maeda	Director-Operations (From 01.04.2015 to 31.05.2015) Chief Operating Officer (From 01.06.2015 to 28.12.2015)		3,915	5,040
Hiroshi Yasui	Director-Operations (w.e.f. 01.06.2015)		4,149	-
Sanjeev Chopra	Chief Financial Officer		3,771	3,978
Amit Jain	Company Secretary		2,272	2,148

5. Accounting Standard-19 "Leases"

In respect of premises taken on operating lease, the lease agreements are mutually renewable/cancellable by the lessor/lessee

- (i) Amount charged to revenue accounts for cancellable operating lease is ₹311,698 thousand (Previous year ₹298,903 thousand).
- (ii) Amount recovered/recoverable and appearing in the revenue account in regard to sub leases is ₹2,802 thousand. (Previous year ₹2,595 thousand).

6. Accounting Standard -20 "Earnings Per Share"

	2015-16	2014-15
a) Net Profit available for Equity Shareholders (₹ '000)	1,670,883	2,060,124
b) Weighted Average number of Equity Shares outstanding during the year (No. of Units in thousand)	269,322	269,322
c) Basic and Diluted Earning per Share (Equity Share of Face Value of ₹10/- each)	6.20	7.65

7. Accounting Standard -22 'Accounting for taxes on income'

The break up of deferred tax assets and liabilities into major components at the year end is as below:

(₹ in '000)

Particulars	As at 31.03.2016		As at 31.03.2015	
	Liabilities	Assets	Liabilities	Assets
Depreciation	-	28,950	-	24,450
Expenditure accrued but not deductible for tax purposes, allowable on actual payment	-	51,400	-	43,200
Unexpired Risk reserve provided in excess of limit specified in Income Tax Act.	-	82,950	-	185,550
Total	-	163,300	-	253,200
Net Deferred tax asset	-	163,300	-	253,200

Net decrease in Deferred Tax asset for the year ₹89,900 thousand has been recognised in the Profit & Loss Account (previous year increase of ₹172,700 Thousand).

III. Other Notes

- On the basis of information received from 'enterprises' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 there is no Micro, Small and Medium Enterprises to which the Company owes dues, which are outstanding for more than 45 days during the year ended 31.03.2016 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

For and on behalf of Board of Directors

As per our Report of even date attached.

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place : New Delhi
Dated : 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

MANAGEMENT REPORT



Attached to the Financial Statements for the year ending 31st March, 2016

1. It is confirmed that the registration granted to the Company by the IRDA in terms of Section 3A of the Insurance Act, 1938 as amended by the Insurance Law (Amendment) Act, 2015 is effective till 31st March, 2017.
2. It is confirmed that all the dues payable to the statutory authorities' upto 31st March, 2016 were duly paid.
3. The shareholding pattern as on 31st March, 2016 was as under which is in accordance with the statutory requirements:

Shareholders	Year ended 31 st March, 2016		Year ended 31 st March, 2015	
	₹ In Crores	%	₹ In Crores	%
Indian:				
Indian Farmers Fertilizers Co-op Ltd.	195.63	72.64	195.63	72.64
Indian Potash Ltd.	3.66	1.36	3.66	1.36
Sub-Total	199.29	74.00	199.29	74.00
Foreign:				
Tokio Marine Asia Pte. Ltd.	70.03	26.00	70.03	26.00
Total	269.32	100.00	269.32	100.00

4. It is confirmed that no part of funds of the Policy holders were directly or indirectly invested outside India during the year.
5. It is confirmed that solvency margins as required under the IRDA Act and Regulations were maintained during the year.
6. It is certified that the value of the assets have been reviewed on the date of the Balance Sheet and that in the opinion of the management, the assets set forth in the Balance Sheet as on 31st March, 2016 are shown in the aggregate at amounts not exceeding their realisable or market value.
7. The Company has varied risk exposure in different classes of business depending upon the risk hazard and retention capacity of the Company. On overall basis Company is exposed to catastrophe risks. The Company has a strategy to have an effective control on overall risk exposure by working out accumulations per vessel in marine class of business and on geographical basis for property business. The Company has filed its reinsurance program with IRDA as required by their regulations. The Company also has Excess of Loss and Catastrophic Cover in accordance with the programme filed with IRDA.
8. It is certified that there were no operations of the company in any other country during the year ended 31st March, 2016.

9. The information relating to ageing of claims on gross basis indicating the trend of average claim settlement time upto the financial year ended 31st March, 2016 is as under:

(₹ In '000)

Claims Outstanding	Year ending 31 st March, 2016						Year ending 31 st March, 2015					
	LESS THAN 30 DAYS	30 DAYS TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 YEAR TO 5 YEARS	5 YEARS AND ABOVE	Total	LESS THAN 30 DAYS	30 DAYS TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 YEAR TO 5 YEARS	5 YEARS AND ABOVE	Total
Fire	41,501	704,405	301,030	925,254	201,648	2,173,838	60,184	482,737	591,664	1,767,404	197,458	3,099,447
Marine Cargo	22,860	249,354	94,198	192,474	101,589	660,475	527,180	130,985	77,840	217,181	101,859	1,055,044
Marine Hull	-	600	63,600	72,608	76,746	213,554	800	10,907	73,519	39,592	58,765	183,584
Motor - OD	233,571	474,692	127,397	60,150	3,851	899,660	241,658	472,279	194,369	91,063	3,946	1,003,316
Motor - TP	10,894	149,681	846,758	4,466,962	1,619,995	7,094,290	9,594	178,737	636,424	4,416,499	1,376,709	6,617,963
Engineering	17,663	169,980	178,460	291,983	149,753	807,840	11,443	90,431	78,548	718,221	141,485	1,040,128
Aviation	965	-	96	5,057	274,546	280,664	196	1,486	-	251,270	33,896	286,848
Workmen Compensation	3,633	18,823	9,072	22,602	6,492	60,623	3,251	11,066	6,169	18,048	3,153	41,687
Personal Accident	5,630	30,743	18,198	27,575	14,386	96,532	4,510	26,599	23,891	36,351	1,008	92,359
Product/Public Liability	-	8274	61342	54,091	767,485	891,193	1,100	910	170	51,280	10,461	63,921
Health	174,975	270,446	29,785	59,662	1,657	536,525	138,448	144,231	34,127	85,113	1,578	403,497
Other Misc.	26,268	548,219	151,614	782,574	115,941	1,624,615	755,979	434,137	520,049	1,300,052	542,221	3,552,438
Total	537,960	2,625,217	1,881,550	6,960,992	3,334,089	15,339,808	1,754,343	1,984,506	2,236,768	8,992,074	2,472,541	17,440,232

No. of Claims Outstanding	Year ending 31 st March, 2016						Year ending 31 st March, 2015					
	LESS THAN 30 DAYS	30 DAYS TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 YEAR TO 5 YEARS	5 YEARS AND ABOVE	Total	LESS THAN 30 DAYS	30 DAYS TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 YEAR TO 5 YEARS	5 YEARS AND ABOVE	Total
Fire	13	127	146	542	389	1,217	15	88	162	759	165	1,189
Marine Cargo	118	566	255	350	231	1,520	126	552	196	153	218	1,245
Marine Hull	0	2	4	16	45	67	1	7	7	23	34	72
Motor - OD	6,500	5,530	910	428	81	13,449	6,505	6,921	1,686	660	76	15,848
Motor - TP	6	648	3,263	19,099	9,465	32,481	8	766	2,748	20,086	9,090	32,698
Engineering	27	147	71	559	298	1,102	16	119	66	655	173	1,029
Aviation	0	0	2	7	19	28	4	5	-	34	17	60
Workmen Compensation	33	164	44	80	30	351	30	136	44	71	25	306
Personal Accident	94	408	250	445	87	1,284	82	484	357	367	108	1,398
Product/Public Liability	0	14	43	25	53	135	1	5	1	28	16	51
Health	9,113	21,374	1,104	751	19	32,361	2,443	3,166	809	762	15	7,195
Other Misc.	155	388	193	425	73	1,234	125	386	221	344	65	1,141
Total	16,059	29,368	6,285	22,727	10,790	85,229	9,356	12,635	6,297	23,942	10,002	62,232

10. As at 31st March, 2016, the investments of the Company are mainly in debt securities including Government Securities. As per accounting policy adopted for valuation, debt securities including Government Securities are considered as held to maturity and valued at cost subject to amortisation. The market value of these investments has been ascertained on the basis of the guidelines issued by IRDA and the information is as under:

(₹ in Lacs)

S. No.		Government Securities	Bonds	Mutual Fund	Equity
1.	Acquisition Cost of Securities held	152,950	253,975	4,899	867
2.	Amortized value of securities as at 31.03.2016 (1)	151,559	253,798	4,899	867
3.	Market Value of securities as at 31.03.2016 (1)	155,310	264,236	4,908	794
4	Value of (1) as appearing in the balance sheet	151,559	253,798	4,908	794

11. The investments held by the Company carry maximum liquidity since they are normally traded in the secondary market and have adequate safety in terms of recovery of principal and interest. During the year, the Company earned an Investment income of ₹432.41 Crores (Previous year ₹369.39 Crores).
12. a) In preparation of financial statement, the applicable accounting standards, principles and policies have been followed and there is no material departure as compared to previous year.
- b) The Management has adopted accounting policies and followed 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 financial year and of the operating profit of the revenue accounts and of profit for the year ended on that date.
- c) The Management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938, the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Management has prepared the Financial Statement on a going concern basis.
- e) The Management has an Internal Audit system commensurate with the size and nature of its business, which is in effective operation during the year.

13. Payments made to companies and organisations in which directors are interested are as under:

(₹ in '000)

S. No.	Name of the Director	Entity in which Director is Interested	Interested as	Year ended 31 st March, 2016	Year ended 31 st March, 2015
1	Dr. U. S. Awasthi Mr. Rakesh Kapur	Indian Farmers Fertiliser Cooperative Ltd.	Managing Director Jt. Managing Director	1,481,873	431,031
2	Dr. P. S. Gahlaut	Indian Potash Ltd.	Managing Director	135,948	113,917
3	Mr. Rakesh Kapur	IFFCO Kisan Sanchar Ltd.	Managing Director	2,820	1,134
		IFFCO Kisan SEZ Ltd.	Managing Director	73	78

For and on behalf of Board of Directors

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

Hiroshi Yasui
Director

Rakesh Kapur
Director

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

Place: New Delhi,
Date: 09th May, 2016

AUDITORS' **REPORT** ON THE CONSOLIDATED FINANCIAL STATEMENTS



TO THE MEMBERS OF IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Revenue Accounts of Fire, Marine and Miscellaneous Insurance (collectively known as the 'Consolidated Revenue Accounts'), the Consolidated Profit and Loss Account , the Consolidated Receipts and Payments Account for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated receipts and payments of the Group in accordance with the accounting principles generally accepted in India, Insurance Act, 1938, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulations') including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate

internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of

Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group, as at 31st March, 2016, Its surplus in the Consolidated Revenue Accounts, its Consolidated Profit and its Consolidated Receipts and Payments Account for the year ended on that date.

Other Matters

(a) We did not audit the financial statements/ financial information of subsidiary, whose financial statements/financial information reflect total assets of ₹17.72 Crore as at 31st March, 2016, total revenues of ₹71.04 Crore and net cash payments amounting to ₹ 0.58 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in

respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
 - (c) The Consolidated Balance Sheet, the Consolidated Revenue Accounts, the Consolidated Profit and Loss Account and the Consolidated Receipts and Payments Account dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company (“the Group”) and the operating

effectiveness of such controls, refer to our separate report in **Annexure-A**.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the notes to consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

For S. K. Mittal & Co.
Chartered Accountants
FRN 0001135N

S. K. Mittal
Partner
M.No. 8506

Place: New Delhi
Date: 09th May, 2016

For S. K. Mehta & Co.
Chartered Accountants
FRN 000478N

Rohit Mehta
Partner
M.No. 91382

The Annexure referred to in paragraph 2 (f) of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of IFFCO-TOKIO General Insurance Company Limited (“the Group”) on the Internal Financial Controls required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of IFFCO-TOKIO General Insurance Company Limited (“the Group”) as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company (“the Group”) considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's (“the Group”) policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's (“the Group”) internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an

audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's (“the Group”) internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's (“the Group”) internal financial control over financial reporting includes those policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (“the Group”);

- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company ("the Group") are being made only in accordance with authorisations of management and directors of the company ("the Group"); and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's ("the Group") assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future

For S. K. Mittal & Co.
Chartered Accountants
FRN 0001135N

S. K. Mittal
Partner
M.No. 8506

Place: New Delhi
Date: 9th May, 2016

periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company ("the Group") has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company ("the Group") considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company is based on the corresponding report of the auditor of such company incorporated in India.

For S. K. Mehta & Co.
Chartered Accountants
FRN 000478N

Rohit Mehta
Partner
M.No. 91382

CONSOLIDATED **FINANCIAL STATEMENTS**



CONSOLIDATED BALANCE SHEET AS AT 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	SCHEDULE		As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)		(4)	(5)
SOURCES OF FUNDS					
1	SHARE CAPITAL	5		2,693,215	2,693,215
2	RESERVES AND SURPLUS	6		9,909,505	8,236,731
3	FAIR VALUE CHANGE ACCOUNT			(6,460)	(1,011)
4	BORROWINGS	7		-	-
	TOTAL			12,596,260	10,928,935
APPLICATION OF FUNDS					
5	INVESTMENTS	8		41,105,783	27,843,029
6	LOANS	9		-	-
7	FIXED ASSETS	10		220,695	214,606
8	DEFERRED TAX ASSET (NET)			179,652	270,470
9	CURRENT ASSETS :				
	Cash and Bank Balances	11	8,160,687		16,703,773
	Advances and Other Assets	12	5,775,276		4,891,428
	Sub-Total (A)		13,935,963		21,595,201
10	CURRENT LIABILITIES	13	27,759,657		25,436,362
11	PROVISIONS	14	15,086,176		13,558,009
	Sub-Total (B)		42,845,833		38,994,371
12	NET CURRENT ASSETS (C) = (A-B)			(28,909,870)	(17,399,170)
13	MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	15		-	-
	TOTAL			12,596,260	10,928,935

CONTINGENT LIABILITIES

(₹ In '000)

S. No.	PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(3)	(4)
1	Partly paid up Investments		-	-
2	Claims, other than against policies, not acknowledged as debts by the company		-	-
3	Underwriting commitments outstanding (in respect of shares and securities)		-	-
4	Guarantees given by or on behalf of the company		-	-
5	Statutory demands/liabilities in dispute, not provided for		280,281	3,393
6	Reinsurance obligations to the extent not provided for in the accounts		-	-
7	Others		-	-
	TOTAL		280,281	3,393

Notes on Accounts

16

Schedule No. 1 to 16 form an integral part of the consolidated financial statements
As per our Report of even date attached.

For and on behalf of Board of Directors

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

Place: New Delhi
Dated: 09th May, 2016

CONSOLIDATED FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums Earned (Net)	1	449,291	392,025
2	Profit/(Loss) on Sale/Redemption of Investments		3,889	1,012
3	Others: Exchange Gain/(Loss)		(3,992)	(1,508)
	Handling Charges		(976)	(3,231)
4	Interest, Dividend & Rent - Gross		75,415	78,744
	TOTAL (A)		523,627	467,042
1	Claims Incurred (Net)	2	250,829	215,463
2	Commission	3	(265,219)	(154,000)
3	Operating expenses related to Insurance Business	4	115,917	90,728
4	Premium Deficiency		-	-
	TOTAL (B)		101,527	152,191
	Operating Profit/(Loss) from Fire Business C = (A-B)		422,100	314,851
	APPROPRIATIONS			
	Transfer to Shareholders' Account		422,100	314,851
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves			
	TOTAL (C)		422,100	314,851

Schedule No. 1 to 16 form an integral part of the consolidated financial statements

As required by Section 40C of the Insurance Act, 1938, we certify that the expenses of management, wherever incurred, whether directly or indirectly in respect of fire insurance business have been debited to fire insurance revenue account as expense as per the accounting policy of the Company in this regard.

As per our Report of even date attached.

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

For and on behalf of Board of Directors

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place: New Delhi
Dated: 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

CONSOLIDATED MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums Earned (Net)	1	396,139	490,949
2	Profit/(Loss) on Sale/Redemption of Investments		3,897	1,035
3	Others: Exchange Gain/(Loss)		-	-
	Handling Charges		14	536
4	Interest, Dividend & Rent - Gross		75,570	80,544
	TOTAL (A)		475,620	573,064
1	Claims Incurred (Net)	2	400,281	377,774
2	Commission	3	(69,605)	(50,558)
3	Operating expenses related to Insurance Business	4	91,503	99,680
4	Premium Deficiency		4,885	-
	TOTAL (B)		427,064	426,896
	Operating Profit/(Loss) from Marine Business C = (A-B)		48,556	146,168
	APPROPRIATIONS			
	Transfer to Shareholders' Account		48,556	146,168
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves			
	TOTAL (C)		48,556	146,168

Schedule No. 1 to 16 form an integral part of the consolidated financial statements

As required by Section 40C of the Insurance Act, 1938, we certify that the expenses of management, wherever incurred, whether directly or indirectly in respect of Marine insurance business have been debited to Marine insurance revenue account as expense as per the accounting policy of the Company in this regard.

As per our Report of even date attached.

For and on behalf of Board of Directors

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place: New Delhi
Dated: 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

CONSOLIDATED MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums Earned (Net)	1	27,200,397	21,788,447
2	Profit/(Loss) on Sale/Redemption of Investments		170,183	37,470
3	Others: Transfer & Duplicate Fee		12,729	10,126
	Exchange Gain/(Loss)		7,428	(6,199)
	Handling Charges		(32)	(1,034)
4	Interest, Dividend & Rent - Gross		3,300,208	2,914,776
	TOTAL (A)		30,690,913	24,743,586
1	Claims Incurred (Net)	2	21,545,548	16,222,026
2	Commission	3	766,806	511,614
3	Operating expenses related to Insurance Business	4	7,142,388	6,056,516
4	Premium Deficiency		-	-
	TOTAL (B)		29,454,742	22,790,156
	Operating Profit/(Loss) from Miscellaneous Business C = (A-B)		1,236,171	1,953,430
	APPROPRIATIONS			
	Transfer to Shareholders' Account		1,236,171	1,953,430
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves			
	TOTAL (C)		1,236,171	1,953,430

Schedule No. 1 to 16 form an integral part of the consolidated financial statements

As required by Section 40C of the Insurance Act, 1938, we certify that the expenses of management, wherever incurred, whether directly or indirectly in respect of Miscellaneous insurance business have been debited to Miscellaneous insurance revenue account as expense as per the accounting policy of the Company in this regard.

As per our Report of even date attached.

For and on behalf of Board of Directors

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place: New Delhi
Dated: 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

S. No.	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	OPERATING PROFIT/(LOSS)			
	(a) Fire Insurance		422,100	314,851
	(b) Marine Insurance		48,556	146,168
	(c) Miscellaneous Insurance		1,236,171	1,953,430
			1,706,827	2,414,448
2	INCOME FROM INVESTMENTS			
	(a) Interest, Dividend & Rent - Gross		661,957	578,198
	(b) Profit on sale of Investments		34,077	7,366
	Less : Loss on Sale of Investments		-	-
			696,034	585,564
3	OTHERS			
	a) Miscellaneous Income		36,794	33,664
	b) Profit on Sale of Fixed Assets		-	67-
	TOTAL (A)		2,439,655	3,033,743
4	PROVISIONS (Other than taxation)			
	(a) For diminution in the value of investments		-	-
	(b) For doubtful debts		-	-
	(c) For doubtful Advances		-	226
5	OTHER EXPENSES			
	(a) Expenses other than those related to Insurance business		9,128	7,433
	(b) Bad Debts/Advances written off		-	-
	(c) Loss on Sale/Scraping of Fixed Assets		825	-
	(d) Expenses on Corporate Social Responsibility (CSR)		27,414	2,278
	TOTAL (B)		37,367	9,937
	Profit Before Tax		2,402,288	3,023,806
	Less: Provision for Taxation			
	Current Tax		639,561	1,135,502
	Deferred Tax		90,818	(184,480)
	Wealth Tax		-	500
	Add: Credit for Mat Entitlement		561	540
	Less: Short/(Excess) provision for taxation for earlier years		-	-
	Current Tax		(282)	8,608
	Deferred Tax		-	3,000
	Wealth Tax		(22)	(11)
	Profit After Tax		1,672,774	2,061,227
	APPROPRIATIONS			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or other Accounts		-	-
	Balance of Profit brought forward from last year		5,666,776	3,605,549
	Balance carried forward to Balance sheet		7,339,550	5,666,776
	Basic & Diluted Earnings per share (Equity shares of face value of ₹10 each)		6.21	7.65

Notes on Accounts

16

Schedule No. 1 to 16 form an integral part of the consolidated financial statements
As per our Report of even date attached.

For and on behalf of Board of Directors

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place: New Delhi
Dated: 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

CONSOLIDATED RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st March, 2016

(₹ In '000)

	Current Year		Previous Year	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Premium received from policy-holders, including advance receipts	42,158,279		38,352,930	
Other receipts	36,794		33,664	
Receipts from the re-insurers, net of commissions and claims	(935,041)		(4,516,275)	
Payments to co-insurers, net of claims recovery	(201,612)		(398,376)	
Payments of claims	(27,612,932)		(18,047,932)	
Payments of commission and brokerage	(1,735,483)		(1,362,212)	
Payments of other operating expenses	(7,297,765)		(6,347,725)	
Preliminary and pre-operative expenses	-		-	
Deposits, advances and staff loans	(8,483)		20,657	
Income taxes paid (Net)	(958,873)		(1,045,896)	
Service tax paid	(2,851,137)		(2,116,297)	
Other payments	-		-	
Cash Flows before extraordinary items	593,747		4,572,538	
Cash Flow from extraordinary operations	-		-	
Net Cash Flow from operating activities		593,747		4,572,538
CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of fixed assets	(106,312)		(60,245)	
Proceeds from sale of fixed assets	912		298	
Purchases of investments	(77,345,152)		(49,634,728)	
Loans disbursed	-		-	
Sales of investments	65,005,746		43,747,883	
Repayments received	-		-	
Rents/Interests/Dividends received	3,317,101		3,472,025	
Investments in money market instruments and in liquid mutual funds (Net)	-		-	
Expenses related to investments	(9,128)		(7,433)	
Net Cash Flow from investing activities		(9,136,833)		(2,482,201)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of share capital	-		-	
Proceeds from borrowing	-		-	
Repayments of borrowing	-		-	
Interest/dividends paid	-		-	
Net Cash Flow from financing activities		-		-
Effect of foreign exchange rates on cash and cash equivalents (net)		-		-
Net Increase/(Decrease) in Cash & Cash equivalents		(8,543,086)		2,090,338
Cash equivalents at beginning of Year		16,703,773		14,613,435
Cash equivalents at end of Year		8,160,687		16,703,773

16

As per our Report of even date attached.

For and on behalf of Board of Directors

S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M.No. 8506

Rohit Mehta
Partner
M.No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place: New Delhi
Dated: 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 1

PREMIUM EARNED (NET)

(₹ In '000)

Particulars	Current Year				Previous Year			
	FIRE	*MARINE	**MISCELLANEOUS	Total	FIRE	*MARINE	**MISCELLANEOUS	Total
Premium from direct business written	2,659,496	1,167,348	33,082,591	36,909,435	2,324,003	1,139,421	29,833,143	33,296,567
Add : Premium on reinsurance accepted	437,711	47,759	225,617	711,087	461,635	39,550	185,915	687,100
	3,097,207	1,215,107	33,308,208	37,620,522	2,785,638	1,178,971	30,019,058	33,983,667
Less : Premium on reinsurance ceded	2,630,458	846,565	4,556,304	8,033,327	2,409,232	765,297	4,897,239	8,071,768
Net Premium	466,749	368,542	28,751,904	29,587,195	376,406	413,674	25,121,819	25,911,899
Adjustments for changes in Reserve for Unexpired Risks	17,458	(27,597)	1,551,507	1,541,368	(15,619)	(77,275)	3,333,372	3,240,478
Total Premium Earned (Net)	449,291	396,139	27,200,397	28,045,827	392,025	490,949	21,788,447	22,671,421

* For analysis of the segment of Marine business, refer Schedule 1A.

** For analysis of the segment of Miscellaneous business, refer Schedule 1B.

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 1A

PREMIUM EARNED (NET)

(₹ In '000)

Particulars	Current Year			Previous Year		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Premium from direct business written	1,095,706	71,642	1,167,348	1,009,441	129,980	1,139,421
Add : Premium on reinsurance accepted	46,906	853	47,759	38,644	906	39,550
	1,142,612	72,495	1,215,107	1,048,085	130,886	1,178,971
Less : Premium on reinsurance ceded	796,499	50,066	846,565	660,501	104,796	765,297
Net Premium	346,113	22,429	368,542	387,584	26,090	413,674
Adjustments for changes in Reserve for Unexpired Risks	(21,818)	(5,779)	(27,597)	(78,691)	1,416	(77,275)
Total Premium Earned (Net)	367,931	28,208	396,139	466,275	24,674	490,949

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 1B
PREMIUM EARNED (NET)

(₹ In '000)

Particulars	Current Year										
	Motor - OD	Motor -TP	Motor-Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	13,289,852	10,781,581	24,071,433	637,449	7,577	280,919	492,939	201,531	4,320,961	3,069,782	33,082,591
Add : Premium on reinsurance accepted	-	154,236	154,236	48,778	(17)	-	4,001	8,928	3,604	6,087	225,617
	13,289,852	10,935,817	24,225,669	686,227	7,560	280,919	496,940	210,459	4,324,565	3,075,869	33,308,208
Less : Premium on reinsurance ceded	722,886	565,952	1,288,838	486,564	6,938	14,047	61,633	69,029	499,524	2,129,731	4,556,304
Net Premium	12,566,966	10,369,865	22,936,831	199,663	622	266,872	435,307	141,430	3,825,041	946,138	28,751,904
Adjustments for changes in Reserve for Unexpired Risks	501,684	825,989	1,327,673	9,479	(635)	18,091	65,497	4,658	45,414	81,330	1,551,507
Total Premium Earned (Net)	12,065,282	9,543,876	21,609,158	190,184	1,257	248,781	369,810	136,772	3,779,627	864,808	27,200,397

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 1B
PREMIUM EARNED (NET)

(₹ In '000)

Particulars	Previous Year										
	Motor - OD	Motor -TP	Motor-Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	12,370,563	9,049,126	21,419,689	605,779	13,118	224,120	364,169	177,737	3,536,583	3,491,948	29,833,143
Add : Premium on reinsurance accepted	-	106,965	106,965	53,293	(1,484)	-	4,080	4,921	10,119	8,021	185,915
	12,370,563	9,156,091	21,526,654	659,072	11,634	224,120	368,249	182,658	3,546,702	3,499,969	30,019,058
Less : Premium on reinsurance ceded	646,594	475,454	1,122,048	502,412	11,845	13,070	48,548	59,920	542,183	2,597,213	4,897,239
Net Premium	11,723,969	8,680,637	20,404,606	156,660	(211)	211,050	319,701	122,738	3,004,519	902,756	25,121,819
Adjustments for changes in Reserve for Unexpired Risks	1,611,369	1,322,269	2,933,638	6,585	(927)	29,185	34,230	12,486	291,063	27,112	3,333,372
Total Premium Earned (Net)	10,112,600	7,358,368	17,470,968	150,075	716	181,865	285,471	110,252	2,713,456	875,644	21,788,447

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 2

CLAIMS INCURRED (NET)

(₹ In '000)

Particulars	Current Year				Previous Year			
	FIRE	*MARINE	**MISCELLANEOUS	Total	FIRE	*MARINE	**MISCELLANEOUS	Total
Claims Paid								
Direct	1,406,951	1,440,155	22,666,642	25,513,748	825,810	945,330	15,753,335	17,524,475
Add : Reinsurance accepted	523,368	16,067	157,835	697,270	68,569	8,034	251,602	328,205
Less : Reinsurance ceded	1,643,769	1,058,396	5,113,677	7,815,842	715,197	610,326	3,646,590	4,972,113
Net Claims Paid	286,550	397,826	17,710,800	18,395,176	179,182	343,038	12,358,347	12,880,567
Add : Claims Outstanding at the end of the year	458,295	539,961	20,093,200	21,091,456	494,016	537,506	16,258,452	17,289,974
Less : Claims Outstanding at the beginning of the year	494,016	537,506	16,258,452	17,289,974	457,735	502,770	12,394,773	13,355,278
Total Claims Incurred	250,829	400,281	21,545,548	22,196,658	215,463	377,774	16,222,026	16,815,263

* For analysis of the segment of Marine business, refer Schedule 2A.

** For analysis of the segment of Miscellaneous business, refer Schedule 2B.

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 2A

CLAIMS INCURRED (NET)

(₹ In '000)

Particulars	Current Year			Previous Year		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Claims Paid						
Direct	1,367,385	72,770	1,440,155	729,780	215,550	945,330
Add : Reinsurance accepted	16,067	-	16,067	8,034	-	8,034
Less : Reinsurance ceded	1,027,236	31,160	1,058,396	429,617	180,709	610,326
Net Claims Paid	356,216	41,610	397,826	308,197	34,841	343,038
Add : Claims Outstanding at the end of the year	424,533	115,428	539,961	401,476	136,030	537,506
Less : Claims Outstanding at the beginning of the year	401,476	136,030	537,506	402,581	100,189	502,770
Total Claims Incurred	379,273	21,008	400,281	307,092	70,682	377,774

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 2B
CLAIMS INCURRED (NET)

(₹ In '000)

Particulars	Current Year										
	Motor - OD	Motor -TP	Motor-Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Claims Paid Direct	9,062,168	5,523,515	14,585,683	451,793	4,413	46,942	234,835	4,091	4,264,740	3,074,145	22,666,642
Add: Reinsurance accepted	-	141,174	141,174	739	(1,725)	-	5,135	-	7,632	4,880	157,835
Less: Reinsurance ceded	619,697	1,390,663	2,010,360	338,104	3,102	2,727	25,123	643	476,036	2,257,582	5,113,677
Net Claims Paid	8,442,471	4,274,026	12,716,497	114,428	(414)	44,215	214,847	3,448	3,796,336	821,443	17,710,800
Add : Claims Outstanding at the end of the year	1,390,689	16,544,470	17,935,159	292,311	9,739	94,429	151,260	99,914	925,887	584,501	20,093,200
Less : Claims Outstanding at the beginning of the year	1,340,990	12,869,161	14,210,151	328,333	14,656	75,311	136,071	89,497	622,661	781,772	16,258,452
Total Claims Incurred	8,492,170	7,949,335	16,441,505	78,406	(5,331)	63,333	230,036	13,865	4,099,562	624,172	21,545,548

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 2B
CLAIMS INCURRED (NET)

(₹ In '000)

Particulars	Previous Year										
	Motor - OD	Motor -TP	Motor-Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Claims Paid Direct	6,846,307	4,554,570	11,400,877	162,723	4,693	34,373	223,840	13,806	2,824,880	1,088,143	15,753,335
Add: Reinsurance accepted	-	205,915	205,915	3,879	26,465	-	6,829	-	2,646	5,868	251,602
Less: Reinsurance ceded	774,749	1,596,415	2,371,164	83,758	4,739	2,458	23,689	2,370	385,663	772,749	3,646,590
Net Claims Paid	6,071,558	3,164,070	9,235,628	82,844	26,419	31,915	206,980	11,436	2,441,863	321,262	12,358,347
Add : Claims Outstanding at the end of the year	1,340,990	12,869,161	14,210,151	328,333	14,656	75,311	136,071	89,497	622,661	781,772	16,258,452
Less : Claims Outstanding at the beginning of the year	1,177,397	9,429,708	10,607,105	337,995	50,734	79,132	173,811	109,243	462,403	574,350	12,394,773
Total Claims Incurred	6,235,151	6,603,523	12,838,674	73,182	(9,659)	28,094	169,240	(8,310)	2,602,121	528,684	16,222,026

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 3

COMMISSION

(₹ In '000)

Particulars	Current Year				Previous Year			
	FIRE	*MARINE	**MISCELLANEOUS	Total	FIRE	*MARINE	**MISCELLANEOUS	Total
Commission Paid Direct	61,075	55,178	1,230,383	1,346,636	62,277	58,469	1,102,434	1,223,180
TOTAL (A)	61,075	55,178	1,230,383	1,346,636	62,277	58,469	1,102,434	1,223,180
Add : Commission on Re-insurance accepted	31,046	4,171	6,457	41,674	38,994	3,160	5,660	47,814
Less : Commission on Re-insurance ceded	357,340	128,954	470,034	956,328	255,271	112,187	596,480	963,938
Net Commission	(265,219)	(69,605)	766,806	431,982	(154,000)	(50,558)	511,614	307,056
Breakup of the expenses (Gross) incurred to procure business:								
Agents	29,004	22,988	549,905	601,897	32,815	22,805	536,395	592,015
Brokers	30,023	32,158	636,204	698,385	27,912	35,620	524,904	588,436
Corporate Agency	2,048	32	44,274	46,354	1,550	44	41,135	42,729
Others	-	-	-	-	-	-	-	-
TOTAL (B)	61,075	55,178	1,230,383	1,346,636	62,277	58,469	1,102,434	1,223,180

* For analysis of the segment of Marine business, refer Schedule 3A.

** For analysis of the segment of Miscellaneous business, refer Schedule 3B.

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 3 A

COMMISSION

(₹ In '000)

Particulars	Current Year			Previous Year		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Commission Paid Direct	51,049	4,129	55,178	50,850	7,619	58,469
TOTAL (A)	51,049	4,129	55,178	50,850	7,619	58,469
Add : Commission on Re-insurance Accepted	4,163	8	4,171	3,151	9	3,160
Less : Commission on Re-insurance ceded	126,059	2,895	128,954	103,972	8,215	112,187
Net Commission	(70,847)	1,242	(69,605)	(49,971)	(587)	(50,558)
Breakup of the expenses (Gross) incurred to procure business :						
Agents	20,116	2,872	22,988	19,907	2,898	22,805
Brokers	30,931	1,227	32,158	30,942	4,678	35,620
Corporate Agency	2	30	32	1	43	44
Others	-	-	-	-	-	-
TOTAL (B)	51,049	4,129	55,178	50,850	7,619	58,469

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 3B
COMMISSION

(₹ In '000)

Particulars	Current Year										
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Commission Paid Direct	719,789	8,328	728,117	34,660	336	24,047	27,886	24,784	234,044	156,509	1,230,383
Total (A)	719,789	8,328	728,117	34,660	336	24,047	27,886	24,784	234,044	156,509	1,230,383
Add : Commission on Re-insurance accepted	-	-	-	4,351	0	-	40	1,202	64	800	6,457
Less : Commission on Re-insurance ceded	99,548	27,143	126,691	55,443	795	2,107	8,062	6,762	48,747	221,427	470,034
Net Commission	620,241	(18,815)	601,426	(16,432)	(459)	21,940	19,864	19,224	185,361	(64,118)	766,806
Breakup of the expenses (Gross) incurred to procure business:											
Agents	335,618	7,092	342,710	15,937	-	14,829	13,242	3,126	112,757	47,304	549,905
Brokers	376,759	912	377,671	18,472	336	9,171	14,008	21,467	115,361	79,718	636,204
Corporate Agency	7,412	324	7,736	251	-	47	636	191	5,926	29,487	44,274
Others	-	-	-	-	-	-	-	-	-	-	-
TOTAL (B)	719,789	8,328	728,117	34,660	336	24,047	27,886	24,784	234,044	156,509	1,230,383

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 3B
COMMISSION

(₹ In '000)

Particulars	Previous Year										
	Motor - OD	Motor - TP	Motor - Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Commission Paid Direct	692,445	7,879	700,324	29,206	609	18,801	21,849	22,860	177,769	131,016	1,102,434
Total (A)	692,445	7,879	700,324	29,206	609	18,801	21,849	22,860	177,769	131,016	1,102,434
Add : Commission on Re-insurance Accepted	-	-	-	3,720	472	-	41	394	503	530	5,660
Less : Commission on Re-insurance ceded	94,059	23,122	117,181	66,992	626	1,822	6,921	5,727	48,482	348,729	596,480
Net Commission	598,386	(15,243)	583,143	(34,066)	455	16,979	14,969	17,527	129,790	(217,183)	511,614
Breakup of the expenses (Gross) incurred to procure business:											
Agents	366,473	6,343	372,816	12,491	(6)	12,419	11,003	2,778	83,701	41,193	536,395
Brokers	317,779	1,171	318,950	16,532	615	6,367	9,646	19,798	87,769	65,227	524,904
Corporate Agency	8,193	365	8,558	183	-	15	1,200	284	6,299	24,596	41,135
Others	-	-	-	-	-	-	-	-	-	-	-
TOTAL (B)	692,445	7,879	700,324	29,206	609	18,801	21,849	22,860	177,769	131,016	1,102,434

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 4

OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ In '000)

S. No.	Particulars	Current Year				Previous Year			
		FIRE	*MARINE	** MISCELLANEOUS	Total	FIRE	*MARINE	** MISCELLANEOUS	Total
1	Employees remuneration and welfare benefits	25,600	20,213	1,576,958	1,622,771	21,399	23,518	1,428,217	1,473,134
2	Travel, conveyance and vehicle running expenses	1,914	1,512	117,921	121,347	1,698	1,866	113,331	116,896
3	Training expenses	212	167	13,040	13,419	168	185	11,213	11,566
4	Rent, rates and taxes	5,543	4,377	341,463	351,383	4,869	5,351	324,947	335,167
5	Repairs	1,941	1,533	119,581	123,055	1,582	1,738	105,562	108,882
6	Printing and Stationery	1,236	976	76,130	78,342	1,041	1,145	69,508	71,694
7	Communication	1,427	1,126	87,882	90,435	1,156	1,271	77,171	79,598
8	Legal and professional charges	6,725	5,310	414,284	426,320	5,175	5,688	345,403	356,266
9	Auditor's fees, expenses etc.								
	(a) As Auditor	51	40	3,119	3,210	46	50	3,054	3,150
	(b) As Advisor or in any other capacity in respect of								
	(i) Taxation matters	6	5	389	400	6	6	388	400
	(ii) Insurance matters	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-
	(c) in any other capacity	-	-	-	-	-	-	-	-
10	Advertisement and publicity	2,461	1,943	151,613	156,018	1,927	2,118	128,633	132,678
11	Marketing & Support Services	58,654	46,313	3,613,116	3,718,083	43,099	47,366	2,876,485	2,966,950
12	Interest and Bank charges	1,113	879	68,565	70,557	973	1,069	64,942	66,984
13	Others :								
	Policy Stamps	31	-	3,764	3,795	28	-	3,074	3,102
	Information & Technology Expenses	2,999	2,368	184,764	190,132	2,669	2,933	178,130	183,732
	Electricity & Water Charges	1,021	806	62,888	64,715	847	931	56,523	58,301
	Courtesies & Entertainment	1,270	1,003	78,238	80,511	764	840	51,010	52,614
	Others	1,011	798	62,275	64,084	817	897	54,496	56,210
14	Depreciation	1,447	1,143	89,140	91,730	1,846	2,028	123,179	127,053
15	Service Tax Expense	1,254	990	77,257	79,501	618	679	41,251	42,548
	TOTAL	115,917	91,503	7,142,388	7,349,808	90,728	99,680	6,056,516	6,246,925

* For analysis of the segment of Marine business, refer Schedule 4A.

** For analysis of the segment of Miscellaneous business, refer Schedule 4B.

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 4A

OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ In '000)

S. No.	Particulars	Current Year			Previous Year		
		Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
1	Employees remuneration and welfare benefits	18,983	1,230	20,213	22,035	1,483	23,518
2	Travel, conveyance and vehicle running expenses	1,420	92	1,512	1,748	118	1,866
3	Training expenses	157	10	167	173	12	185
4	Rent, rates and taxes	4,111	266	4,377	5,013	337	5,351
5	Repairs	1,440	93	1,533	1,629	110	1,738
6	Printing and Stationery	916	59	976	1,072	72	1,145
7	Communication	1,058	69	1,126	1,191	80	1,271
8	Legal and professional charges	4,987	323	5,310	5,329	359	5,688
9	Auditor's fees, expenses etc.						
	(a) As Auditor	38	2	40	47	3	50
	(b) As Advisor or in any other capacity in respect of						
	(i) Taxation matters	5	0	5	6	0	6
	(ii) Insurance matters	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-
	(c) In any other capacity	-	-	-	-	-	-
10	Advertisement and publicity	1,825	118	1,943	1,985	134	2,118
11	Marketing & Support Services	43,494	2,819	46,313	44,379	2,987	47,366
12	Interest and Bank charges	825	53	879	1,002	67	1,069
13	Others:						
	Policy Stamps	-	-	-	-	-	-
	Information & Technology Expenses	2,224	144	2,368	2,748	185	2,933
	Electricity & Water Charges	757	49	806	872	59	931
	Courtesies & Entertainment	942	61	1,003	787	53	840
	Others	750	49	798	841	57	897
14	Depreciation	1,073	70	1,143	1,900	128	2,028
15	Service Tax Expense	900	60	990	636	43	679
	Total	85,934	5,569	91,503	93,394	6,287	99,680

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 4B
OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ In '000)

S. No.	Particulars	Current Year										
		Motor - OD	Motor -TP	Motor-Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Employees remuneration and welfare benefits	689,261	568,757	1,258,018	10,951	34	14,637	23,875	7,757	209,792	51,893	1,576,958
2	Travel, Conveyance and vehicle running expenses	51,541	42,530	94,072	819	3	1,095	1,785	580	15,688	3,880	117,921
3	Training expenses	5,700	4,703	10,403	91	0	121	197	64	1,735	429	13,040
4	Rent, rates and taxes	149,248	123,154	272,402	2,371	7	3,169	5,170	1,680	45,427	11,237	341,463
5	Repairs	52,267	43,129	95,396	830	3	1,110	1,810	588	15,909	3,935	119,581
6	Printing and Stationery	33,275	27,458	60,733	529	2	707	1,153	374	10,128	2,505	76,130
7	Communication	38,412	31,696	70,108	610	2	816	1,331	432	11,691	2,892	87,882
8	Legal and professional charges	181,077	149,419	330,495	2,877	9	3,845	6,272	2,038	55,115	13,633	414,284
9	Auditor's fees, expenses etc.											
	(a) As Auditor	1,363	1,125	2,488	22	0	29	47	15	415	103	3,119
	(b) As Advisor or in any other capacity in respect of											
	(i) Taxation matters	170	140	310	3	0	4	6	2	52	13	389
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-	-	-	-
	(c) In any other capacity	-	-	-	-	-	-	-	-	-	-	-
10	Advertisement and publicity	66,268	54,682	120,950	1,053	3	1,407	2,295	746	20,170	4,989	151,613
11	Marketing & Support Services	1,579,231	1,303,132	2,882,363	25,091	78	33,537	54,703	17,773	480,675	118,897	3,613,116
12	Interest and Bank charges	29,969	24,729	54,698	476	1	636	1,038	337	9,122	2,256	68,565
13	Others:											
	Policy Stamps	1,498	1,236	2,734	4	-	148	11	1	88	778	3,764
	Information & Technology Expenses	80,757	66,638	147,396	1,283	4	1,715	2,797	909	24,580	6,080	184,764
	Electricity & Water Charges	27,487	22,682	50,169	437	1	584	952	309	8,366	2,069	62,888
	Courtesies & Entertainment	34,197	28,218	62,414	543	2	726	1,185	385	10,408	2,575	78,238
	Others	27,219	22,460	49,680	432	1	578	943	306	8,285	2,049	62,275
14	Depreciation	38,962	32,150	71,112	619	2	827	1,350	438	11,859	2,933	89,140
15	Service Tax Expense	33,768	27,864	61,631	536	2	717	1,170	380	10,278	2,542	77,257
	Total	3,121,669	2,575,903	5,697,571	49,577	154	66,408	108,091	35,116	949,783	235,688	7,142,388

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 4B
OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(₹ In '000)

S. No.	Particulars	Previous Year										
		Motor - OD	Motor -TP	Motor-Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Employees remuneration and welfare benefits	666,527	493,508	1,160,035	8,906	(12)	11,999	18,176	6,978	170,812	51,323	1,428,217
2	Travel, Conveyance and vehicle running expenses	52,890	39,161	92,050	707	(1)	952	1,442	554	13,554	4,073	113,331
3	Training expenses	5,233	3,875	9,108	70	(0)	94	143	55	1,341	403	11,213
4	Rent, rates and taxes	151,648	112,283	263,931	2,026	(3)	2,730	4,135	1,588	38,863	11,677	324,947
5	Repairs	49,264	36,476	85,740	658	(1)	887	1,343	516	12,625	3,793	105,562
6	Printing and Stationery	32,438	24,018	56,456	433	(1)	584	885	340	8,313	2,498	69,508
7	Communication	36,015	26,666	62,680	481	(1)	648	982	377	9,229	2,773	77,171
8	Legal and professional charges	161,194	119,351	280,546	2,154	(3)	2,902	4,396	1,688	41,310	12,412	345,403
9	Auditor's fees, expenses etc.											
	(a) As Auditor	1,425	1,055	2,481	19	(0)	26	39	15	365	110	3,054
	(b) As Advisor or in any other capacity in respect of											
	(i) Taxation matters	181	134	315	2	(0)	3	5	2	46	14	388
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management services	-	-	-	-	-	-	-	-	-	-	-
	(c) In any other capacity	-	-	-	-	-	-	-	-	-	-	-
10	Advertisement and publicity	60,031	44,448	104,479	802	(1)	1,081	1,637	628	15,384	4,622	128,633
11	Marketing & Support Services	1,342,411	993,946	2,336,357	17,938	(24)	24,166	36,606	14,054	344,022	103,367	2,876,485
12	Interest and Bank charges	30,307	22,440	52,747	405	(1)	546	826	317	7,767	2,334	64,942
13	Others:											
	Policy Stamps	1,310	970	2,280	4	-	117	11	-	75	587	3,074
	Information & Technology Expenses	83,130	61,551	144,682	1,111	(1)	1,496	2,267	870	21,304	6,401	178,130
	Electricity & Water Charges	26,379	19,531	45,910	352	(0)	475	719	276	6,760	2,031	56,523
	Courtesies & Entertainment	23,805	17,626	41,431	318	(0)	429	649	249	6,101	1,833	51,010
	Others	25,432	18,831	44,263	340	(0)	458	694	266	6,518	1,958	54,496
14	Depreciation	57,486	42,563	100,049	768	(1)	1,035	1,568	602	14,732	4,426	123,179
15	Service Tax Expense	19,251	14,254	33,505	257	(0)	347	525	202	4,933	1,482	41,251
	Total	2,826,359	2,092,687	4,919,045	37,753	(51)	50,972	77,047	29,575	724,054	218,119	6,056,516

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 5 SHARE CAPITAL

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Authorised Capital 400000000 Equity Shares of ₹10 each (Previous Year 400000000 Equity Shares of ₹10 each)	4,000,000	4,000,000
2	Issued Capital 269321500 Equity Shares of ₹10 each (Previous Year 269321500 Equity Shares of ₹10 each)	2,693,215	2,693,215
3	Subscribed Capital 269321500 Equity Shares of ₹10 each (Previous Year 269321500 Equity Shares of ₹10 each)	2,693,215	2,693,215
4	Called up Capital 269321500 Equity Shares of ₹10 each (Previous Year 269321500 Equity Shares of ₹10 each)	2,693,215	2,693,215
	Less: Calls unpaid	-	-
	Add: Equity Shares forfeited (amount originally paid up)	-	-
	Less: Par Value of Equity Shares bought back	-	-
	Less: Preliminary Expenses	-	-
	Expenses including commission or brokerage on underwriting or subscription of shares	-	-
	TOTAL	2,693,215	2,693,215

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 5A SHARE CAPITAL PATTERN OF SHAREHOLDING (As certified by the Management)

S. No.		As at 31 st March, 2016		As at 31 st March, 2015	
		Number of Shares	% of Holding	Number of Shares	% of Holding
	Promoters				
a)	Indian	199297910	74	199297910	74
b)	Foreign	70023590	26	70023590	26
	Others	-	-	-	-
	TOTAL	269321500	100	269321500	100

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 6 RESERVES AND SURPLUS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium	2,568,789	2,568,789
4	General Reserve	-	-
5	Catastrophe Reserve	1,166	1,166
6	Other Reserves	-	-
7	Balance of Profit in Profit and Loss Account	7,339,550	5,666,776
	TOTAL	9,909,505	8,236,731

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 7

BORROWINGS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Debentures/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	TOTAL	-	-

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 8

INVESTMENTS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
	LONG TERM INVESTMENTS		
1	Govt. Securities, Govt. guaranteed Bonds incl Treasury Bills	14,704,212	13,154,565
2	Other Approved Securities	-	-
3	Other Investments		
	Equity Shares	79,388	16,800
	Preference Shares	-	-
	Mutual Funds	-	-
	Derivative Instruments	-	-
	Debenture/Bonds (Housing)	4,928,610	4,513,424
	Non Convertible Debenture/Bonds	2,759,034	1,300,000
	Other Securities	-	-
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investment In Infrastructure and social sector	14,269,029	6,966,953
5	Other than approved investments	-	-
	SHORT TERM INVESTMENTS		
1	Govt Securities, Govt guaranteed Bonds incl. Treasury Bills	451,645	655,974
2	Other Approved Securities	-	-
3	Other Investments		
	Equity Shares	-	-
	Preference Shares	-	-
	Mutual Funds	490,752	500,313
	Derivative Instruments	-	-
	Debentures & Bonds (Housing)	2,046,041	400,000
	Non Convertible Debenture/Bonds	751,373	-
	Others Securities	-	-
	Subsidiaries	-	-
	Investment Properties - Real Estate	-	-
4	Investments in Infrastructure & Social Sector	625,699	335,000
5	Other than approved investments	-	-
	TOTAL	41,105,783	27,843,029

Note: Aggregate amount of company's investment other than listed equity securities and derivative instruments is ₹41,026,395 thousand (Previous year ₹27,826,229 thousand).

Market value of such investments as at 31.03.2016 is ₹42,445,416 thousand (Previous year ₹28,662,512 thousand).

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 9

LOANS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Security wise Classification Secured		
	(a) On mortgage of property		
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) On shares, Bonds, Govt. Securities	-	-
	(c) Others	-	-
	Unsecured	-	-
	Total	-	-
2	Borrower-wise Classification		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Others	-	-
	Total	-	-
3	Performance-wise Classification		
	(a) Loans classified as standard		
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) Non performing loans less provisions		
	(aa) In India	-	-
	(bb) Outside India	-	-
	Total	-	-
4	Maturitywise Classification		
	(a) Short Term	-	-
	(b) Long Term	-	-
	TOTAL	-	-

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
SCHEDULE - 10
FIXED ASSETS

(₹ in '000)

Particulars	Gross Block			Depreciation			Net Block			
	As at 1 st April, 2015	Additions during the year	Sales/ Adjustments during the year	As at 31 st March, 2016	Upto 31 st March, 2015	For the Year	On Sales/ Adjustments	Upto 31 st March 2016	As at 31 st March, 2016	As at 31 st March, 2015
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles:										
- Computer Software	206,778	2,404	-	209,182	183,806	16,344	-	200,150	9,032	22,972
Land - Freehold	37,849	-	-	37,849	-	-	-	-	37,849	37,849
Leasehold Property	-	-	-	-	-	-	-	-	-	-
Buildings	12,251	-	-	12,251	1,004	202	-	1,206	11,045	11,247
Furniture & Fittings	274,328	10,488	26	284,789	216,735	18,131	26	234,839	49,950	57,593
Information Technology										
Equipment	497,674	72,270	219	569,726	443,204	44,351	219	487,336	82,390	54,470
Vehicles	5,319	3,727	2,831	6,215	2,241	806	1,094	1,953	4,262	3,078
Office Equipment	84,431	4,951	797	88,585	63,333	11,896	797	74,432	14,153	21,098
Others	-	-	-	-	-	-	-	-	-	-
TOTAL	1,118,630	93,840	3,873	1,208,597	910,323	91,730	2,136	999,916	208,681	208,307
Capital Work In Progress	6,299	12,014	6,299	12,014	-	-	-	-	12,014	6,299
Grand Total	1,124,929	105,854	10,172	1,220,611	910,323	91,730	2,136	999,916	220,695	214,606
Previous Year Total	1,067,329	70,450	12,850	1,124,929	790,657	127,053	7,385	910,323	214,606	

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 11

CASH AND BANK BALANCES

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Cash (including cheques, drafts and stamps)	14,347	53,314
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short Term (due within 12 months)	6,919,851	13,650,000
	(bb) Others	292,600	2,195,000
	(b) Current Accounts	933,889	805,459
	(c) Others	-	-
3	Money at call & short notice		
	With Banks	-	-
	With Other Institutions	-	-
4	Others	-	-
	TOTAL	8,160,687	16,703,773
	Balances with non -scheduled banks included in 2 and 3 above	-	-

Note: Balance with Banks in current accounts above, includes liquid flexi term deposit of ₹614,980 thousand (Previous year ₹574,206 thousand).

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 12

ADVANCES AND OTHER ASSETS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
	ADVANCES		
1	Reserve Deposit with ceding Companies	-	-
2	Application Money for Investments	-	-
3	Prepayments	83,362	143,769
4	Advance to Directors/Officers	-	-
5	Advance Tax Paid and Tax Deducted at source (Net of provision for taxation)	301,533	-
6	MAT Credit Entitlement	1,099	540
7	Deposit towards Rent	75,440	63,207
8	Service Tax Recoverable	-	-
9	Others	24,419	28,169
	TOTAL (A)	485,853	235,685
	OTHER ASSETS		
1	Income accrued on Investments/FDRs	1,945,625	1,972,584
2	Outstanding Premiums	1,210,534	1,299,518
3	Agents' Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from entities carrying on insurance business (including reinsurers)	2,133,264	1,383,641
6	Due from Subsidiaries/Holdings	-	-
7	Deposit with Reserve Bank of India {Pursuant to Section 7 of Insurance Act, 1938}	-	-
8	Others	-	-
	TOTAL (B)	5,289,423	4,655,743
	TOTAL (A+B)	5,775,276	4,891,428

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 13

CURRENT LIABILITIES

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Agents Balances	119,143	162,624
2	Balances due to other insurance companies (including reinsurers)	678,598	1,044,031
3	Deposits held on re-insurances ceded	-	-
4	Premiums received in advance	396,688	875,664
5	Unallocated premium	-	-
6	Sundry Creditors	772,881	549,729
7	Due to Subsidiaries/Holding Company	-	-
8	Claims outstanding *	25,060,923	22,194,039
9	Due to Officers/Directors	-	-
10	Deposit Premium	224,126	156,243
11	Service Tax Payable	346	40,156
12	Employee Benefit	196,644	184,504
13	Unclaimed Amount of Policyholder Dues	310,308	229,372
	TOTAL	27,759,657	25,436,362

* Claims Outstanding Includes ₹3,969,467 thousand (Previous Year ₹4,904,065 thousands) on account of settlement received from the IMTPIP towards the company's share of claim liability determined by the pool upto the date of dismantling (Net of claims paid upto reporting period)

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 14

PROVISIONS

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Reserve for Unexpired Risk	15,081,291	13,539,924
2	For Taxation (less advance tax paid and taxes deducted at source)	-	18,085
3	For Proposed Dividends	-	-
4	For Dividend Distribution Tax	-	-
5	Premium Deficiency	4,885	-
	TOTAL	15,086,176	13,558,009

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 15

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

(₹ In '000)

S. No.	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(1)	(2)	(3)	(4)
1	Discount allowed in issue of shares/debentures	-	-
2	Others	-	-
	TOTAL	-	-

ACCOUNTING
POLICIES & NOTES ON
ACCOUNTS
CONSOLIDATED



SCHEDULE 16: NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

1. Basis of Preparation of Financial Statement:

The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting in accordance with the generally accepted accounting principles and conform to the statutory requirements prescribed under the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 including directions thereon, the Insurance Act, 1938, the provisions of Companies Act, 2013 including notified Accounting Standards there under except otherwise stated.

2. Use of Estimates

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent assets & liabilities. Such estimates and assumptions are based on the management's evaluation of the relevant facts and circumstances as on the date of financial statements. Any revision to the accounting estimates is recognised prospectively in the period in which the results are known/materialised.

3. Revenue Recognition

- 3.1 Premium and cession thereof are recognised over the contract period or the period of the risk in respective revenue account following 1/365 method.

Reserve for unexpired risk representing premium attributable to the succeeding accounting period is maintained based on the above method except in Marine Hull business and reinsurance premium acceptances in respect of Terrorism Pool for Fire & Miscellaneous business, where the reserve

for unexpired risk is maintained at hundred percent of the Net Premium during the preceding twelve months.

- 3.2 Any subsequent revision to the premium under the policies is accounted for in the period in which they occur.
- 3.3 Premium deficiency is recognised whenever expected claim costs, related expenses and maintenance costs exceeds related reserve for unexpired risks for each segment of business.
- 3.4 Reinsurance Inward acceptances are accounted for on the basis of returns, to the extent received, from the insurers.
- 3.5 Commission on reinsurance cessions are recognised as income in the period in which the premium is ceded. Profit commission under reinsurance treaties, wherever applicable, is recognised on the determination of profit for the period.
- 3.6 Interest Income is recognised on accrual basis.
- 3.7 Dividend income is recognised when the right to receive dividend is established.
- 3.8 Profit or Loss on sale/redemption of investments which is the difference between sale consideration and carrying value is recognised on trade date and includes effects of accumulated fair value changes, previously recognised, for specific investments sold/redeemed during the year. In determining realised gain/loss, cost of securities is arrived at on 'Weighted average cost' basis and sale consideration for the purpose of realised gain/loss is net of Brokerage and taxes, if any.

4. Allocation of Investment Income between Revenue Accounts and Profit and Loss Account:

Investment income is apportioned to Profit and Loss Account and Revenue Accounts in the ratio of average of Shareholders Funds and Policyholders Funds standing in each class of business at the end of each month.

5. Claims Incurred:

5.1 Liability in respect of claims is provided for the intimations received up to the year-end based on the surveyor's assessment, information provided by the insured, judgment based on past experience and other applicable laws and practices. However, in respect of claims under re-insurance acceptances, the claim liability is provided based on the returns/advice, to the extent received, from the Reinsurers.

5.2 Liability in respect of "claims incurred but not reported" (IBNR) and "Claims incurred but not enough reported" (IBNER) is provided for on actuarial estimates as certified by the "Appointed Actuary".

5.3 Salvage/Recoveries under claims are netted against "Claims Incurred" and are accounted for on realisation.

6. Allocation of Operating Expenses

Operating expenses other than policy stamps are apportioned to respective revenue accounts on the basis of net premium in each class of business at the end of financial year. Expenses relating to policy stamps are directly taken to the respective revenue accounts. Expenses incurred and/or allocable exclusively for earning investment income are charged to Profit and Loss account.

7. Acquisition Cost of insurance contracts

Cost relating to acquisition of new/renewal of insurance contracts are expensed in the period in which they are incurred.

8. Investments

Investments are recorded on the trade date at the acquisition cost.

Classification

Investment maturing within twelve months from the Balance Sheet date and investments made with specific intention to dispose off within twelve months from the Balance Sheet date are classified as Short term Investments.

Other investments are classified as Long term Investments.

Valuation

- (i) Debt securities including Government securities are considered as held to maturity and are valued at cost subject to amortisation by charging off/crediting investment income with the difference of acquisition cost and maturity value over the unexpired period of maturity on straight line method.
- (ii) Investments in units of mutual funds are valued at Net Asset Value (NAV).
- (iii) Equity securities listed and actively traded are stated at fair value, being the last quoted closing price on the National Stock Exchange (NSE). However, in case of any stock not being listed at NSE, the same valued based on the last quoted closing price on Bombay Stock Exchange (BSE).
- (iv) Any unrealised gain/loss arising due to change in fair value of mutual fund investments and listed equity shares is accounted in 'Fair Value Change Account' and carried forward in the Balance Sheet and is not available for distribution.
- (v) Investment in subsidiary company is valued at cost less permanent diminution, if any.

9. Fixed Assets:

Fixed Assets are stated at their cost of acquisition less accumulated depreciation/amortisation.

Capital Work in Progress is stated at cost.

10. Depreciation/Amortisation

10.1 Depreciation on Fixed Assets is provided on straight line method based on useful life as provided in Schedule II of the Companies Act, 2013 except

- (i) Fixtures in rented premises are depreciated proportionately over the residual lease period wherever the lease period is less than the useful life specified in Schedule II.

- (ii) Information Technology Equipments – Servers & Networks are depreciated over their useful life of three years on straight line method.
- (iii) Fixed Assets having value up to ₹5000 are fully depreciated in the year of acquisition.

10.2 Software is amortised over its useful life of three years on straight line method.

11. Pre-Paid Expenses

Expenditure up to ₹25,000 in each case is accounted for in the year in which the same is incurred.

12. Foreign Currency Transactions

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of the transaction.

The monetary items remaining outstanding as on the date of Balance Sheet are translated at the exchange rate as on that date.

Exchange Gain/Loss on settlement / translation of foreign currency transactions is recognised as income/expense.

13. Income Tax

Income tax comprises of Current Tax and Deferred Tax. Deferred tax, resulting from 'timing differences' between book and taxable profits, is accounted for using the tax rates and laws that have been enacted or substantively enacted. The deferred tax asset is recognized and carried only to the extent that there is a reasonable/virtual certainty that the asset will be realised in future.

14. Employee Benefits

14.1 The Liability for Gratuity is covered by the "Group Gratuity Cash Accumulation Scheme" with an Insurance Company. The liability is accounted for based on actuarial valuation as on the date of Balance Sheet.

14.2 Liability for leave encashment is provided for on the basis of actuarial valuation as on the date of Balance Sheet.

14.3 Provident Fund and Family Pension Scheme contributions and liability towards Leave Travel Assistance (LTA) are accounted for on accrual basis.

14.4 Gains/losses arising out of the actuarial valuation are recognised immediately in the accounts.

15. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date for indications of any impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of the asset exceeds its recoverable amount. Any such impairment loss is recognised by charging it to the profit and loss account. A previously recognised impairment loss is reversed where it no longer exists and the asset is restated to that effect.

16. Provisions & Contingencies

A provision, other than those relating to contract with policy holders, is recognised when there is present obligation arising out of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability. Contingent liability in respect of Show Cause Notices is considered only when converted into demand.

B. NOTES FORMING PART OF ACCOUNTS

I. BASIS OF CONSOLIDATION

The Consolidated financial statements relate to IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED and its wholly-owned subsidiary IFFCO-TOKIO INSURANCE SERVICES LIMITED.

a) Basis of Accounting :

- i. The financial statement of the subsidiary company in the consolidation is drawn up to the same reporting date as of the company.
- ii. The Consolidated financial statement have been prepared in accordance with Accounting Standard (AS) 21- 'Consolidated Financial Statement' notified under the Companies Act, 2013 and generally accepted accounting principles.

b) Principles of Consolidation:

The consolidated financial statements have been prepared as per following principles:

- i. The financial statements of the company and its subsidiary are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra- group balances, intra- group transactions, unrealised profits or losses.
- ii. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements except as otherwise stated in the notes to accounts.

c) Additional Information required under part II of the schedule III of the Companies Act, 2013 is as under:

(₹ in '000)

Name of Entity	Net Assets (Total assets minus Total liability)		Share in Profit or loss (Profit after tax)	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount
IFFCO-TOKIO INSURANCE SERVICES LIMITED	0.15%	19,433	0.11%	1,891

II. Disclosures required under Accounting Standards

1. Accounting Standard-1 "Disclosure of Accounting Policies"

- a) The company has revised the Accounting Policy of Revenue Recognition in respect of Marine Cargo policies w.e.f. 01.04.2015. Now premium & cession thereof are recognized over the contract period or the period of risk following 1/365 method as against the earlier policy of recognizing the same after 60 days from the date of inception of the risk. Consequently Profit before tax for the year is higher by ₹38,831 thousand.
- b) Hitherto reserve for unexpired reserve representing premium attributable to the succeeding accounting period is maintained subject to minimum amount of reserve as required under the Insurance Act, 1938.

During the year company has changed its accounting policy in line with IRDA Circular dated 04.04.2016, wherein requirement of maintenance of minimum unexpired risk reserve is dispensed with for all classes of business except Marine Hull. However there is no impact of the same on the profit for the year.

In line with directions issued by Insurance Regulatory and Development Authority of India (IRDAI) vide Corrigendum on Master Circular dated 03.07.2013, the company has revised the Accounting Policy of recognition of Premium deficiency w.e.f. 01.04.2015. Now premium deficiency is recognised at Segmental Revenue Account level as against the earlier policy of recognising the same at major class of business viz. Fire, Marine & Miscellaneous. Consequently profit before tax for the year is lower by ₹4,885 thousand.

2. Accounting Standard-15 "Employee Benefits"

a. General description of defined contribution plan

Provident Fund	The company makes contributions at a specified percentage of payroll cost towards Employee Provident Fund (EPF) for qualifying employees. The company recognised ₹12,182 thousand (previous year ₹9,336 thousand) for provident fund contribution in the profit & loss account.
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B. General description of the defined benefit scheme:

Gratuity	Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of five years or more.
Leave Encashment	Payable on encashment during the service or on separation to the eligible employees who have accumulated earned leave.
Provident Fund	The Company pays fixed contribution to Provident Fund Trust. Contribution to Family Pension Scheme is paid to appropriate authority. The contribution for ₹42,194 thousand (previous year ₹36,613 thousand) has been recognised as expense in the accounts.

C. Other disclosures as required under AS-15 (Revised 2005) on "Employee Benefits" in respect of defined benefit obligations are as under:

I. Expenses recognised in Profit & Loss Account

(₹ in '000)

	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Current Service Cost	15,697	13,432	10,185	7,637	7,457	34,449	29,660	20,905	15,838	14,335
Interest cost on benefit obligation	6,896	6,013	4,003	3,668	3,931	12,314	10,855	7,430	6,407	6,095
Expected return on plan assets	(5,732)	(4,258)	(4,436)	(4,172)	(3,192)	-	-	-	-	-
Net actuarial (Gain)/ loss recognised in the year	(2,507)	8,891	14,193	(4,932)	(10,669)	(4,672)	17,999	30,150	7,184	(7,519)
Expenses recognised in the Profit & Loss Account	14,354	24,078	23,946	2,201	(2,473)	42,091	58,514	58,485	29,428	12,910

ii. The amount recognised in the Balance Sheet

(₹ in '000)

	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of obligation at end of year (I)	102,632	89,581	68,939	46,956	42,509	182,290	160,424	124,607	86,024	73,398
Fair Value of Plan assets at end of year (ii)	88,322	65,503	46,664	48,128	44,835	-	-	-	-	-
Difference (ii-I) i.e. Assets/ (Liabilities)	(14,310)	(24,078)	(22,275)	1,171	2,326	(182,290)	(160,424)	(124,607)	(86,024)	(73,398)
Net Asset/(Liability) recognised in the Balance Sheet	(14,310)	(24,078)	(22,275)	1,171	2,326	(182,290)	(160,424)	(124,607)	(86,024)	(73,398)

iii. Changes in the present value of the Defined Benefit Obligations:

(₹ in '000)

	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Present Value of obligation at beginning of year	89,582	68,939	46,956	42,509	45,961	160,424	124,607	86,024	73,398	70,358
Interest Cost	6,896	6,013	4,003	3,668	3,931	12,313	10,855	7,430	6,407	6,095
Current Service Cost	15,697	13,432	10,185	7,637	7,457	34,449	29,660	20,905	15,838	14,335
Benefit Paid	(7,443)	(8,060)	(6,244)	(5,591)	(1,551)	(20,224)	(22,697)	(19,902)	(16,802)	(9,870)
Net actuarial (Gain)/Loss on obligation	(2,100)	9,257	14,039	(1,266)	(13,289)	(4,672)	17,999	30,150	7,184	(7,519)
Present value of the defined benefit as at end of year	102,632	89,581	68,939	46,956	42,509	182,290	160,424	124,607	86,024	73,398

iv. Changes in the fair value of plan assets:

(₹ in '000)

	Gratuity					Leave Encashment				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Fair value of plan assets at beginning of year	65,503	46,664	48,128	44,835	32,133	-	-	-	-	-
Expected return on plan assets	5,732	4,258	4,436	4,172	3,192	-	-	-	-	-
Contributions by employer	24,123	22,275	499	1,047	13,683	-	-	-	-	-
Benefits Paid	(7,443)	(8,060)	(6,244)	(5,591)	(1,551)	-	-	-	-	-
Actuarial Gain/(Loss) on plan assets	407	366	(154)	3,665	(2,621)	-	-	-	-	-
Fair value of plan assets at end of year *	88,322	65,503	46,664	48,128	44,836	-	-	-	-	-

* Gratuity Fund is managed by Life Insurance Corporation of India (LIC). Individual investment wise details of the plan assets are not being provided by LIC.

v. Actuarial Assumptions

Principal assumptions used for actuarial valuation of parent company are:

	Gratuity (Funded)					Leave Encashment (Non-Funded)				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Method used	Projected Unit Credit Method									
Discount Rate	7.75%	7.75%	8.25%	8.25%	8.00%	7.75%	7.75%	8.25%	8.25%	8.50%
Salary Escalation	6.00%	6.00%	5.00%	5.00%	6.00%	6.00%	6.00%	5.00%	5.00%	5.00%
Mortality rate	IALM (2006-08)									
Withdrawal rate	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1%
Rate of return on plan assets	8.50%	8.75%	9.25%	9.25%	9.25%	-	-	-	-	-

Principal assumptions used for actuarial valuation of Subsidiary company are:

	Gratuity (Funded)					Leave Encashment (Non-Funded)				
	2015-16	2014-15	2013-14	2012-13	2011-12	2015-16	2014-15	2013-14	2012-13	2011-12
Discount rate	7.75%	7.75%	9.00%	8.00%	8.30%	7.75%	7.75%	9.00%	8.00%	8.30%
Salary Escalation	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

The estimate of future salary increase considered in actuarial valuation, take into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

3. Accounting Standard-17 "Segment Reporting"

The Company's primary reportable segments are business segments, which have been identified in accordance with the Regulations. Disclosure as required is provided as under:

a) Business Segments

(₹ in '000)

	Year ended 31 st March, 2016	Year ended 31 st March, 2015
SEGMENT REVENUE:		
Fire Insurance	3,176,511	2,865,394
Marine Insurance	1,294,574	1,260,550
Motor Insurance-OD	14,027,655	13,017,961
Motor Insurance-TP	13,237,476	11,096,490
Engineering Insurance	726,085	700,204
Workmen Compensation Insurance	298,970	238,899
Personal Accident Insurance	532,303	400,615
Product Liability Insurance	225,495	197,835
Health Insurance	4,524,938	3,685,770
Trade Credit	681,370	692,751
Other Insurance	2,524,308	2,940,779
Investment	696,033	585,564
Total	41,945,718	37,682,812
SEGMENT RESULT: Profit/(Loss)		
Fire Insurance	422,099	314,851
Marine Insurance	48,566	146,167
Motor Insurance-OD	581,734	1,110,228
Motor Insurance-TP	1,339,112	617,800
Engineering Insurance	118,458	113,304
Workmen Compensation Insurance	115,151	100,599
Personal Accident Insurance	47,182	56,580
Product Liability Insurance	83,604	86,637
Health Insurance	(1,254,706)	(603,441)

(₹ in '000)

Trade Credit	61,779	64,626
Other Insurance	143,857	407,098
Investments	686,906	578,131
Unallocable	8,556	31,227
Total Profit before Tax	2,402,288	3,023,806
Less: Provision for Taxation	729,514	962,579
Profit After Tax	1,672,774	2,061,227
SEGMENT ASSETS:	As at 31st March, 2016	As at 31st March, 2015
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Trade Credit	-	-
Other Insurance	-	-
Investments	48,318,234	43,688,029
Total:	48,318,234	43,688,029
Add: Unallocable Assets	7,123,859	6,235,277
Total	55,442,093	49,923,306
SEGMENT LIABILITIES:	As at 31st March, 2016	As at 31st March, 2015
Fire Insurance	816,444	834,708
Marine Insurance	702,592	722,849
Motor Insurance-OD	8,044,250	7,492,866
Motor Insurance-TP	26,053,490	22,486,790
Engineering Insurance	393,735	420,278
Workmen Compensation Insurance	196,543	159,335
Personal Accident Insurance	379,590	298,904
Product Liability Insurance	155,214	140,139
Health Insurance	2,125,820	1,777,181
Trade Credit	37,136	22,435
Other Insurance	1,242,284	1,378,478
Investments	-	-
Total:	40,147,099	35,733,963
Add: Unallocable Liabilities	2,698,734	3,260,408
Total	42,845,833	38,994,371
Cost incurred to acquire segment assets (Fixed Assets):		
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Trade Credit	-	-
Other Insurance	-	-
Investments	-	-
Total:	-	-
Add: Unallocable Fixed assets	99,555	65,217
Total	99,555	65,217

Amount of expenses included in segment result for depreciation and amortisation in respect of assets:	Year ending 31 st March, 2016	Year ending 31 st March, 2015
Fire Insurance	1,447	1,846
Marine Insurance	1,143	2,028
Motor Insurance-OD	38,962	57,486
Motor Insurance-TP	32,150	42,563
Engineering Insurance	619	768
Workmen Compensation Insurance	827	1,035
Personal Accident Insurance	1,350	1,568
Product Liability Insurance	438	602
Health Insurance	11,859	14,732
Trade Credit	146	178
Other Insurance	2,789	4,247
Investments	-	-
Total:	91,730	127,053
Add: Unallocable Expenses	-	-
Total	91,730	127,053

Assets and Liabilities of the Company, which are not identifiable with any of the segments, have been classified as unallocable.

b) Geographical Segment

Since the Company's entire business is conducted within India, there is no reportable Geographical Segmentation for the year.

4. Accounting Standard- 18 "Related Party Disclosures"

The transactions between the company and its related parties during the year are as under:

(₹ in '000)

Name of the Related Parties	Nature of Related party relationship	Description of nature of transactions	2015-16	2014-15
Indian Farmers Fertilizers Coop. Ltd.	Promoters with more than 20% Voting rights	Premium accounted from direct business	798,245	654,651
		Claims paid on direct basis	1,257,391	207,664
		Payment of Rent and other expenses	225,522	223,664
		Deposit of Insurance Premium	2,500	2,500
		Interest earned on Fixed Deposit receipts	315	721
		Fixed Deposits held	-	7,600
		Amount Payable/(Receivable) at the Balance Sheet Date	3,405	-
Indian Potash Limited	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	134,886	83,674
		Claim paid on direct basis	135,948	113,917
		Deposit of Insurance Premium	100	100
		Amount Payable/(Receivable) at the Balance Sheet Date	(150)	-
Tokio Marine Asia Pte. Ltd. (formerly Millea Asia Pte. Ltd.)	Promoters with more than 20% Voting rights	Payment of Professional Fee	5,329	5,939
		Claim/Reimbursement of Expenses	1,499	1,136
		Payment of Fee	1,005	1,313
Tokio Marine & Nichido Fire Insurance Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	382,261	393,246
		Commission Earned on Premium Ceded	91,307	85,671
		Losses Recovered from Re-insurer	196,481	158,723
		Claim/Reimbursement of Expenses	256	169
Tokio Marine Kiln Singapore Pte. Ltd.	Associate of Promoters with more than 20% Voting rights	Amount Payable/(Receivable) at the Balance Sheet Date	350	42,951
		Premium on Cession of Re-insurance Premium	7,748	-
		Commission Earned on Premium Ceded	1,963	-
		Losses Recovered from Re-insurer	24,977	-
		Amount Payable/(Receivable) at the Balance Sheet Date	425	-

Tokio Marine Insurance Singapore Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	103,292	111,617
		Commission Earned on Premium Ceded	22,286	18,274
		Losses Recovered from Re-insurer	118,505	48,150
		Amount Payable/(Receivable) at the Balance Sheet Date	(3,098)	20,450
		Claim/Reimbursement of Expenses	-	36
		Payment of Fee	-	55
Tokio Marine Europe Insurance Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	-	179
		Commission Earned on Premium Ceded	-	62
		Amount Payable/(Receivable) at the Balance Sheet Date	116	116
Tokio Marine Kiln Regional Underwriting Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium	160	1,098
		Commission Earned on Premium Ceded	2	82
Tokio Marine & Nichido Risk Consulting Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	287
Tokio Marine Insurance (Malaysia) Behard	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	-	59
		Payment of Fee	416	425
Tokio Marine Indonesia	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	24	-
Tokio Marine Services Europe Ltd.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	1,056	9,343
		Payment of Fee	1,099	1,572
TM Claim Services Inc.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	5,628	8,400
		Payment of Fee	2,493	2,619
Tokio Marine Management Australasia Pty. Ltd.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	1,340	2,294
		Payment of Fee	305	1,269
The Tokio Marine Claim Services Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Claim/Reimbursement of Expenses	90	-
		Payment of Fee	28	-
TM Management Services Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	577
Tokio Marine Insurance (Thailand) Public Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	-	441
IFFCO Kisan Sanchar Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	4,945	2,163
		Claims paid on direct basis	2,820	1,134

K. Srinivasa Gowda	Chairman	Payment of Rent on office Building	4,800	4,800
IFFCO Kisan Bazar & Logistics Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	1,647	874
IFFCO MC Crop Science Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	527	-
IFFCO Kisan SEZ Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	278	325
		Claims paid on direct basis	73	78
Indian Farm Forestry Development Cooperative Ltd.	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	594	128
		Claims paid on direct basis	853	123
		Payment for CSR activity-IFFDC being implementation agency	10,086	-
IFFCO Chhattisgarh Power Limited	Associate of Promoters with more than 20% Voting rights	Premium accounted from direct business	786	485
		Claims paid on direct basis	351	537
Yogesh Lohiya	Managing Director & Chief Executive Officer	Remuneration-Key Management Personnel	11,032	11,379
H.O.Suri	Director-Marketing		4,581	5,373
Ichiro Maeda	Director-Operations (From 01.04.2015 to 31.05.2015) Chief Operating Officer (From 01.06.2015 to 28.12.2015)		3,915	5,040
Hiroshi Yasui	Director-Operations (w.e.f. 01.06.2015)		4,149	-
Sanjeev Chopra	Chief Financial Officer		3,771	3,978
Amit Jain	Company Secretary		2,272	2,148
Srikanth Charan	CEO of Subsidiary Company		3,383	4,389

Note: Amount for remuneration to Key Management Personnel viz. Managing Director and other Whole Time Directors is disclosed in Note No B (3).

5. Accounting Standard-19 "Leases"

In respect of premises taken on operating lease, the lease agreements are mutually renewable/cancellable by the lessor/lessee

- (i) Amount charged to revenue accounts for cancellable operating lease is ₹351,236 thousand (Previous year ₹334,365 thousand).

6. Accounting Standard -20 "Earnings Per Share"

	2015-16	2014-15
a) Net Profit/(Loss) available for Equity Shareholders (₹ '000)	1,672,774	2,061,227
b) Weighted Average number of Equity Shares outstanding during the year (No. of Units in Thousand)	269,322	269,322
c) Basic and Diluted Earning per Share (Equity Share of Face Value of ₹10/- each)	6.21	7.65

7. Accounting Standard -22 "Accounting for taxes on income"

The breakup of deferred tax assets and liabilities into major components at the year end is as below:

(₹ in '000)

Particulars	As at 31.03.2016		As at 31.03.2015	
	Liabilities	Assets	Liabilities	Assets
Depreciation	-	29,101	-	24,628
Expenditure accrued but not deductible for tax purposes, allowable on actual payment	-	63,331	-	54,283
Unexpired Risk reserve provided in excess of limit specified in Income Tax Act	-	82,950	-	185,550
Carried forward business loss as per Income Tax Act	-	4,270	-	6,009
Total	-	179,652	-	270,470
Net Deferred tax asset	-	179,652	-	270,470

Net decrease in Deferred Tax asset for the year ₹90,818 thousand has been recognised in the Profit & Loss Account (previous year increase of ₹181,480 thousand).

III. Other Notes

- The company has committed ₹39,667 Thousand (Previous Year ₹10,963 Thousand) for the purchase of fixed assets.
- Managerial remuneration paid during the year is as under:

(₹ in '000)

	Year ended 31.3.2016		Year ended 31.3.2015	
	Managing Director	Whole-time Directors	Managing Director	Whole-time Directors
Salaries and Allowances	10,659	9,216	11,019	10,030
Contribution to Provident Fund	373	391	359	383
Total *	11,032	9,607	11,378	10,413

* Excludes provision for leave encashment and the gratuity contributions which are determined actuarially on an overall basis and accordingly have not been considered in the above information.

The remuneration as above has been approved by the IRDA.

3. The investments as at the yearend have not been allocated into Policy Holders funds and Shareholders funds as the same are not specifically earmarked separately.
4. No depreciation is allocable to the Profit and Loss Account based on the 'use' of the asset.
5. Management expenses are apportioned to Revenue Accounts on the basis of Net Premium as per Accounting Policy on 'Allocation of Operating Expenses' (Schedule 16 A (6)). Detail of apportioned expenses is furnished in Schedule 4 (Operating Expenses relating to Insurance business).
6. As certified by Appointed Actuary, Premium Deficiency amounting ₹4,885 Thousand (Previous year-Nil) has been provided in the accounts for Marine Cargo segment.
7. Expenses in the nature of Marketing Support Services booked under the head 'Travel, Conveyance and Vehicle Running Expenses & Professional Expenses' in previous year have been regrouped under 'Marketing and Support Services' in Schedule 4 for better presentation in the accounts.
8. On the basis of information received from 'enterprises' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 there is no Micro, Small and Medium Enterprises to which the Company owes dues, which are outstanding for more than 45 days during the year ended 31.03.2016 and hence disclosure relating to amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been given.
9. Additional statutory information disclosed in the separate financial statements of the Insurance company and its subsidiary having no material bearing on the true and fair view of consolidated financial statement and the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements.

For and on behalf of Board of Directors

As per our Report of even date attached.

For S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

For S. K. Mehta & Co.
Chartered Accountants
Firm Regn.No.00478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S. K. Mittal
Partner
M No. 8506

Rohit Mehta
Partner
M No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place: New Delhi
Dated: 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

Form AOC – 1

(Pursuant to first provision to sub-section (3)
of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features
of the financial statement of subsidiaries/associate companies/joint ventures**

Part “A”: Subsidiaries

(Amount In ₹)

1	Name of the subsidiary:	IFFCO-TOKIO INSURANCE SERVICE LIMITED
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N.A.
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	N.A.
4	Share Capital	5,000,000
5	Reserve & Surplus	14,433,060
6	Total Assets	177,207,545
7	Total Liabilities	157,774,485
8	Investments	-
9	Turnover	708,569,618
10	Profit before taxation	2,942,938
11	Provision for taxation	1,051,819
12	Profit after taxation	1,891,119
13	Proposed Dividend	-
14	% of shareholding	100%

Note: Company has only one subsidiary, information of which is given above.

Part “B” Associates and Joint Ventures

N.A

For and on behalf of Board of Directors

For S. K. Mittal & Co.
Chartered Accountants
Firm Regn. No. 001135N

For S. K. Mehta & Co.
Chartered Accountants
Firm Regn.No.00478N

K. Srinivasa Gowda
Chairman

Yogesh Lohiya
Managing Director

S.K. Mittal
Partner
M No. 8506

Rohit Mehta
Partner
M No. 91382

Hiroshi Yasui
Director

Rakesh Kapur
Director

Place: New Delhi
Dated: 09th May, 2016

Sanjeev Chopra
Chief Financial Officer

Amit Jain
Company Secretary

ACCOUNTS OF SUBSIDIARY **COMPANY**

IFFCO-TOKIO INSURANCE SERVICES LIMITED



BOARD OF DIRECTORS

Mr. Nand Kishore Kedia	Chairman
Mr. Veer Pratap Singh	Vice Chairman
Mr. Santimoy Dey	Director
Mr. Sunil Khatri	Director
Mr. P Periasamy	Director
Mr. Hideyuki Ishii	Director (till 20 th April 2016)

SENIOR EXECUTIVES

Srikanth Charan Mudigonda	Chief Executive Officer
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AUDITORS

M/s Raghu Nath Rai & Co.
Chartered Accountants

BANKERS

Deutsche Bank, New Delhi.
HDFC Bank, New Delhi

REGISTERED OFFICE

IFFCO SADAN, C-1 District Centre,
Saket, New Delhi- 110017
Phone No. 011- 26542625

CORPORATE OFFICE

IFFCO TOWER - II, Plot No. 3, Sector 29,
Gurgaon 122001(Haryana)
Phone No.0124-2850200

NOTICE OF 13TH ANNUAL GENERAL MEETING

TO THE MEMBERS

NOTICE is hereby given that the **THIRTEENTH ANNUAL GENERAL MEETING** of the Members of **IFFCO-TOKIO Insurance Services Limited** will be held on **Friday, the 17th June, 2016 at 5.00 P.M.** at the Registered Office of the Company at **IFFCO SADAN, C-1 DISTRICT CENTRE, SAKET, NEW DELHI- 110017** to transact the following business:

ORDINARY BUSINESS

1. Audited financial statements of the company as at 31st March, 2016 together with the Auditors' Report thereon and the Reports of the Board of Directors to the members.
2. To appoint Director in place of Mr. Veer Pratap Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mr. P Periasamy, who retires by rotation and being eligible, offers himself for reappointment.
4. To ratify the appointment of M/s. Raghu Nath Rai & Co., Chartered Accountants (000451N) as Statutory Auditors of the company for the financial year 2016-17; and to fix their remuneration.

Regd. Office:

IFFCO Sadan, C-1
District Centre, Saket,
New Delhi- 110017
Dated: 21st April, 2016

By order of the Board
(SRIKANTH CHARAN MUDIGONDA)
Chief Executive Officer

Note:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a member of the Company.
2. Instruments of proxies in order to be effective must be deposited with the Company at its registered office not less than 48 hours before the commencement of the meeting.

DIRECTORS' REPORT

To the Members

- 1.0** Your Directors have pleasure in presenting to you the Thirteenth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2016 along with the Auditors' Report thereon.

Members will be glad to note that your Company has successfully completed the Twelfth full year of operations as a wholly owned subsidiary of IFFCO-TOKIO General Insurance Co. Ltd. (IFFCO-TOKIO General Insurance Co. Ltd.). During the period, your Company has worked as the Corporate Agent of IFFCO-TOKIO General Insurance Co. Ltd. for Marketing and distribution of its Insurance products and also acted as a service provider to the customers of IFFCO-TOKIO General Insurance Co. Ltd.

2.0 Financial Highlights

The Company has earned a profit before tax of ₹2.94 Millions against a budgeted estimate of ₹4.42 Millions. During the financial year ended 31st March 2016, your Company had generated a gross written premium of ₹1430.00 Millions for IFFCO-TOKIO General Insurance Co. Ltd. Furthermore, your Company serviced a premium valuing ₹13404 Millions. The breakup of premium serviced through Individual Agency Model, Cooperative Channels, National Tie ups and Others is detailed below:-

Procurement	GWP (₹in Millions)
Direct Channel	1430.00

MODEL	GWP (₹in Millions)
Individual Agency Model	7513.00
Cooperative Channels	687.00
National Tie ups	3052.00
Others (PA/Various Dealers)	2152.00
TOTAL	13404.00

3.0 Dividend

In order to conserve the resources of your Company, your Directors do not recommend any dividend for the year under review.

4.0 Human Resources, Training and Development

Your Company has 849 employees on its permanent rolls as on 31st March, 2016. In addition to the employees on permanent rolls the Company also has 295 Sr. Marketing Executives and Marketing Executives as on 31st March, 2016. Your Company has utilized the services of 612 Relationship Executives and Customer Care Associates for servicing IFFCO-TOKIO GENERAL INSURANCE CO. LTD. customers and tie up arrangements.

- 4.1** The training of manpower has been conducted through both on-line modules and various class room training for employees and trainees to enhance their functional skills and efficiency. The company also conducted training for the marketing personnel as required under the IRDA regulations. During the year a total of 715 persons were trained in the class mode.

5.0 Marketing Strategy

- 5.1 Members are kindly aware that your Company distributes General Insurance products and provides service to customers and intermediaries of IFFCO-TOKIO General Insurance Co. Ltd. in the market through its network of employees and trainees. With a view to penetrate deeper into the market and enhance distribution/sale/service of IFFCO-TOKIO General Insurance Co. Ltd. products, your Company has strengthened and successfully expanded the concept of Lateral Spread Centers. 30 New LSCs and 67 new Bima Kendra's have been opened during the year to take benefit of the lateral expansion. The performance of Bima Kendra's is monitored regularly. The total number of LSCs as of 31st March, 2016 is 155 and the total no of Bima Kendra's is 348. These centers have helped IFFCO-TOKIO General Insurance Co. Ltd. to provide effective services at lower cost to its customers in small but potential centers. These centers have jointly procured and serviced a gross written premium of ₹10617 Millions for IFFCO-TOKIO General Insurance Co. Ltd. at an average expense ratio of 4.90%.
- 5.2 Two other servicing models viz: Cooperative Model and Individual Agency Model were further strengthened during the year to penetrate further in the retail segment. The Company deployed its manpower to train and service Individual agents in the retail segment and also agents from cooperatives back ground. During the year the Company deployed 446 employees and 282 trainees to manage these two models.
- 5.3 Your Company continues to play an important role in servicing of IFFCO-TOKIO General Insurance Co. Ltd. customers. The Service channel consisting of Relationship Executives and Customer care Associates (on outsourced basis) has yielded very good response from the market.

6.0 Corporate Governance

The Management is responsible for finalisation of business plan, annual budgets, review of operations, review of performance of personnel and HR matters. During the period, five meetings of Board of Directors were held which were well attended.

7.0 Auditor's Observations

The Report of the auditors to the shareholders of the Company is annexed to the financial statements for the period 1st April' 15 to 31st March' 16. There are no specific observations in the report of the Auditors which require clarification.

8.0 Future Plan

Your Company has to render dedicated services as a corporate agent to IFFCO-TOKIO, it has drawn a Business plan for the ensuing year 2016-17 to strengthen the Agency Channel through appointment of Agency Development Managers at various locations. The strategy adopted by the Company in the form of managing its geographical spread into B and C centers through Lateral Spread offices and Bima Kendra's is going to be driven in a planned manner. The emphasis will be on Bima Kendra's to spread into B and C class of cities. Some of these, depending upon the volume of business they service, will be provided with upgraded facilities. Your Company also plans to strictly imbibe the philosophy of working consciously towards increased operational efficiency through cost control and enhanced capacity utilisation. Your company envisages achieving a healthy portfolio mix. Hence emphasis is being laid on line channel matrix for targets.

9.0 Information under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information as per the provisions contained under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is NIL.

10.0 Directors' Responsibility Statement.

The Board of Directors of your Company confirms:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
2. That the selected accounting policies were applied and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company as at March 31, 2016 and of the profits of the Company for the period ended on the date;
3. That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the annual accounts has been prepared on a going concern basis;
5. Those proper systems are there to ensure the compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

11.0 Appointment of Auditors

As per the provisions contained in Section 139 of the Companies Act, 2013, your Company has received a communication from M/s. Raghunath Rai & Co. (Chartered Accountant) that if they are reappointed they are well within the criteria prescribed under Section 141 of the Companies Act, 2013. They have also confirmed their willingness to accept the audit of Company in the event of their appointment.

The Board of Directors in their 50th Meeting held on 21st April, 2015 had recommended to the shareholders the name of M/s. Raghu Nath Rai & Co for appointment as Statutory auditor for the financial year 2015-16 and to hold the office from the conclusion of 12th Annual General Meeting till the conclusion of the 17th Annual General Meeting of the Company subject to ratification by the members at every Annual General Meeting held during the intervening period, which has been approved by the shareholders in the Annual General Meeting held on 17th June, 2015.

In view of the above your Directors recommended the continuation of M/s. Raghu Nath Rai & Co. as statutory auditors for the financial year 2016-17.

12.0 Board of Directors & Key Managerial Personnel

Mr. Hideyuki Ishii, has resigned from the Directorship of the company with effect from 20th April, 2016.

Pursuant to article 78 of the Article of Association of your Company, Mr. Veer Pratap Singh and Mr. P Periasamy, Directors retire by rotation at this Annual General Meeting and being eligible to offer them for re-appointment.

13.0 Extracts of the Annual Return:

In pursuance to Section 134(3) (a), extracts of the Annual Return of the Company are enclosed in Form MGT-9 as Annexure to the Board Report.

14.0 Related Party Transactions:

During the Year Company has entered various transactions with its holding Company M/s. IFFCO-TOKIO General Insurance Company Limited in the ordinary course of business and on arms length basis. Details of the same are enclosed in Form AOC -2 as Annexure to the Board's Report.

15.0 Acknowledgement

Your Directors express gratitude to the shareholders, IRDA, Members of the Board of Directors other Govt. agencies and customers of your Company for their valuable patronage and support and guidance. Your Directors also place on record the deep appreciation of the dedicated services rendered by employees, trainees and other outsourced personnel of your Company at all levels.

For and on behalf of the Board of Directors

Place: Gurgaon,
Date: 21st April, 2016

(Nand Kishore Kedia)
Chairman

INDEPENDENT AUDITOR'S REPORT

**To
the Members
OF IFFCO-TOKIO INSURANCE SERVICES LIMITED**

We have audited the accompanying financial statements of IFFCO-TOKIO Insurance Services Limited, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters state in Section 134 (5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("CARO") issued by the Central Government of India in terms of Section 143 of the Act, we give in the Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) A report on presence of internal financial controls system and the operating effectiveness of such controls as required under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 is given in Annexure-II.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Raghu Nath Rai & Co.
Chartered Accountants
Firm Regn No. 000451N

Samir Jain
Partner
Membership No. 077010

Place: New Delhi,
Date: 21st April, 2016

The Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of IFFCO-TOKIO Insurance Services Limited on the accounts of the Company for the year ended 31st March, 2016.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there was no immovable property held in the name of the company during the financial year ended on 31st March, 2016.
2. The Company did not held any inventory during the financial year ended on 31st March, 2016, therefore, the clause 3 (ii) of the Order is not applicable to the Company.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses (iii)(a), (iii)(b) and (iii)(c) of the CARO are not applicable to the Company.
4. There were no transactions of the nature as covered under Section 185 and 186 of the Companies Act, 2013; hence Clause (iv) of the CARO is not applicable.
5. The Company has not accepted any deposit. Therefore, the clause 3(v) of CARO is not applicable to the Company.
6. Clause 3(vi) of CARO is not applicable as the Company is not engaged in production of such goods and providing such services as prescribed by Central Government for maintenance of cost records.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, generally the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amount payable in respect of income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited on account of any disputes.
8. Clause (viii) of the CARO is not applicable as the Company did not have any loan or borrowing from a financial institution, bank, Government or dues to debenture holders during the financial year ended on 31st March, 2016.
9. Based on our audit procedures and on the

information given by the management, we report that the company has not raised any money by way of initial public offer, further public offer or by way of term loans during the year. Therefore, the clause 3(ix) of CARO is not applicable to the Company.

10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.
11. As per information and explanations given to us, the Company has not appointed a Manager and further it is not paying any remuneration to any of its directors, therefore in our opinion provision of Section 197 and schedule V to the Companies Act, 2013 are not applicable to the Company.
12. The Company is not a Nidhi Company; hence clause (xii) of the CARO is not applicable.
13. Based on the audit procedures performed and

the information and explanations given to us, all transactions with the related parties are in compliance with 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable as the Company is not a listed Company.

14. The Company has not made any preferential allotment or private placement of shares during the financial year ended on 31st March, 2016; hence clause (xiv) is not applicable.
15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
16. Clause (xvi) of the Order is not applicable as the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Raghu Nath Rai & Co.
Chartered Accountants
Firm Regn No. 000451N

Samir Jain
Partner
Membership No. 077010

Place: New Delhi,
Date: 21st April, 2016

The Annexure referred to in paragraph 2 of Report on Other Legal and Regulatory Requirements of our Report of even date to the members of IFFCO-TOKIO Insurance Services Limited on the Internal Financial Controls required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of IFFCO-TOKIO INSURANCE SERVICES LIMITED as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Raghu Nath Rai & Co.
Chartered Accountants
Firm Regn No. 000451N

Samir Jain
Partner
Membership No. 077010

Place: New Delhi,
Date: 21st April, 2016

IFFCO-TOKIO INSURANCE SERVICES LIMITED
C - 1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017
CIN - U65999DL2003PLC121571

BALANCE SHEET AS AT 31st MARCH, 2016

S. No.	Particulars	Notes No.	As at 31 st March 2016	As at 31 st March 2015
I.	EQUITY AND LIABILITIES			
(1)	Shareholder's funds			
	a) Share capital	1	5,000,000	5,000,000
	b) Reserves and Surplus	2	14,433,060	12,541,941
	c) Money received against share warrants		-	-
(2)	Share application money pending allotment	-	-	-
(3)	Non current liabilities			
	a) Long-term borrowings		-	-
	b) Deferred tax liabilities (Net)		-	-
	c) Other long term liabilities		-	-
	d) Long-term provisions	3 (a)	30,841,440	28,675,931
(4)	Current liabilities			
	a) Short-term borrowings		-	-
	b) Trade payables		-	-
	c) Other current liabilities	4	8,433,171	8,244,227
	d) Short term provisions	3 (b)	118,499,874	96,942,487
	TOTAL		177,207,545	151,404,586
II.	ASSETS			
(1)	Non current assets			
	a) Tangible fixed assets			
	Gross block		585,813	585,813
	Less : Accumulated depreciation		(585,813)	(585,813)
	Net block		-	-
	b) Non current investments		-	-
	c) Deferred tax assets (Net)		16,352,000	17,270,000
	d) Long term loans & advances	5	79,760,474	48,477,922
	e) Other non current assets		-	-
(2)	Current assets			
	a) Trade receivables	6	49,249,237	59,222,125
	b) Cash and Bank balance	7	21,320,504	7,933,771
	c) Short term loans and advances	8	5,655,064	11,375,084
	d) Other current assets	9	4,870,266	7,125,684
	TOTAL		177,207,545	151,404,586

Notes to Accounts

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Notes 1 to 16 form an Integral part of Financial Statements
As per our report of even date attached

For IFFCO-TOKIO Insurance Services Ltd.

For Raghu Nath Rai & Co.
Chartered Accountants
FRN No. 000451N

Mr. N.K. Kedia
Chairman
DIN:00050917

Samir Jain
Partner
M. No. 077010

Mr. Veer Pratap Singh
Director
DIN:00051787

Place : New Delhi,
Date : 21st April, 2016

Mr. Sunil Khatri
Director
DIN:06903603

Mr. Srikanth Charan Mudigonda
CEO

IFFCO-TOKIO INSURANCE SERVICES LIMITED
C - 1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017
CIN - U65999DL2003PLC121571

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

S. No.	Particulars	Notes No.	As at 31 st March 2016	As at 31 st March 2015
	Revenue			
I	Revenue from operations	10	708,569,618	613,229,241
	Other income	11	1,907,074	5,856,038
	Total Revenue		710,476,692	619,085,279
II	Expenses:			
	Employees benefits expenses	12	582,966,017	503,582,646
	Finance costs	13	143,702	186,739
	Other expenses	14	124,424,035	112,493,622
	Total Expenses		707,533,754	616,263,007
III	Profit before exceptional and extraordinary items and tax		2,942,938	2,822,272
IV.	Exceptional items		-	-
V	Profit before extraordinary items and tax		2,942,938	2,822,272
VI	Extraordinary items		-	-
VII	Profit before tax		2,942,938	2,822,272
VIII	Tax expense:			
	(1) Current tax		561,000	540,000
	(2) Deferred tax		(918,000)	(8,780,000)
	(3) Tax adjustments for earlier years		133,819	10,499,735
	(4) Credit for MAT entitlement		(561,000)	(540,000)
IX.	Profit/(Loss) for the period		1,891,119	1,102,538
X.	Earning per equity share:	15		
	(1) Basic		3.78	2.21
	(2) Diluted		3.78	2.21

Notes to Accounts

16

Notes 1 to 16 form an Integral part of Financial Statements

As per our report of even date attached

For Raghu Nath Rai & Co.

Chartered Accountants
FRN No. 000451N

Samir Jain

Partner
M. No. 077010

Place : New Delhi,
Date : 21st April, 2016

For IFFCO-TOKIO Insurance Services Ltd.

Mr. N.K. Kedia
Chairman
DIN:00050917

Mr. Veer Pratap Singh
Director
DIN:00051787

Mr. Sunil Khatri
Director
DIN:06903603

Mr. Srikanth Charan Mudigonda
CEO

IFFCO-TOKIO INSURANCE SERVICES LIMITED
C - 1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017
CIN - U65999DL2003PLC121571
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
A.	Cash flows from operating activities		
	Cash receipts from customers	719,330,924	621,987,047
	Cash paid to suppliers and employees	(683,040,070)	(650,942,282)
	Cash generated from operations	36,290,854	(28,955,235)
	Interest paid	-	-
	Dividends paid	-	-
	Income taxes (paid)/refund	(31,111,665)	20,349,685
	Net cash from operating activities	5,179,189	(8,605,550)
B	Cash flows from investing activities		
	Fixed deposit created	(76,000,000)	71,000,000
	Fixed deposit matured	76,000,000	(71,000,000)
	Interest income	607,544	2,540,737
	Net cash from investing activities	607,544	2,540,737
C	Cash flows from financing activities		
	Proceeds from issue of share capital	-	-
	Proceeds from long-term borrowings	-	-
	Net cash from financing activities	-	-
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	5,786,733	(6,064,813)
	Cash and cash equivalents at beginning of period	2,933,771	8,998,584
	Cash and cash equivalents at end of period	8,720,504	2,933,771
	Cash and cash equivalents at the end of the year comprises:		
	(a) Cash on hand	1,070,801	1,061,541
	(c) Balances with banks	7,649,703	1,872,230
		8,720,504	2,933,771

Notes to Accounts

16

Notes 1 to 16 form an Integral part of Financial Statements

As per our report of even date attached

For Raghu Nath Rai & Co.

Chartered Accountants

FRN No. 000451N

Samir Jain

Partner

M. No. 077010

Place : New Delhi,

Date : 21st April, 2016

For IFFCO-TOKIO Insurance Services Ltd.

Mr. N.K. Kedia

Chairman

DIN:00050917

Mr. Veer Pratap Singh

Director

DIN:00051787

Mr. Sunil Khatri

Director

DIN:06903603

Mr. Srikanth Charan Mudigonda

CEO

IFFCO-TOKIO INSURANCE SERVICES LIMITED
C - 1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017
CIN - U65999DL2003PLC121571

NOTES TO BALANCE SHEET

Notes No.	Particulars	As at 31 st March 2016	As at 31 st March 2015
1	SHARE CAPITAL		
	Equity share capital		
	Authorised : 2000000 Equity Shares of ₹10 each	20,000,000	20,000,000
	Issued, Subscribed & Paid up: 500000 Equity Shares of ₹10 each fully paid up (100% shares held by IFFCO Tokio General Insurance Co. Ltd.)	5,000,000	5,000,000
	Reconciliation of number of shares outstanding at the beginning & at the end of the reporting period		
	<u>Equity Shares</u>		
	Number of Shares at the beginning	500,000	500,000
	Add: Shares issued during the period	-	-
	Number of Shares at the end	500,000	500,000
	Shares in the Company held by each Shareholder holding more than 5% shares		
	Name of the Shareholder IFFCO-Tokio General Insurance Co. Ltd.		
	No. of Shares	500,000	500,000
	% Shareholding	100	100
2	RESERVES AND SURPLUS		
	Surplus in the Statement of Profit & Loss		
	Balance as per Last Financial Statements	12,541,941	11,439,403
	Profit for the year	1,891,119	1,102,538
	Total	14,433,060	12,541,941
3	PROVISIONS		
3 (a)	Long-term Provisions		
	Provision for leave encashment	30,841,440	28,675,931
		30,841,440	28,675,931
3 (b)	Short-term Provisions		
	Provision for leave encashment	7,772,918	7,188,829
	Provision for gratuity	3,746,257	4,298,769
	Provision for expenses	91,396,208	71,411,484
	Provision for income tax	561,000	540,000
	Provision for leave travel subsidy	15,023,491	13,503,405
		118,499,874	96,942,487
	Total	149,341,314	125,618,418
4	OTHER CURRENT LIABILITIES		
	Statutory dues	4,457,522	4,014,923
	Amount payable for services	352,500	285,000
	Other liabilities	3,623,149	3,944,304
	Total	8,433,171	8,244,227
5	LONG TERM LOANS & ADVANCES		
	Inter-Corporate Deposit	-	1,500,000
	Rent, Electricity & Telephone Deposits	7,746,473	5,962,767
	MAT Credit Entitlement	1,098,783	540,000
	Balance with Statutory Authorities	70,915,218	40,475,155
	Total	79,760,474	48,477,922

Notes No.	Particulars	As at 31 st March 2016	As at 31 st March 2015
6	TRADE RECEIVABLES Unsecured, considered good unless stated otherwise - Outstanding for a period exceeding six months - Other receivables * * Includes due from related parties ₹4,92,49,237/- (Previous Year: ₹5,92,22,125)	- 49,249,237	- 59,222,125
	Total	49,249,237	59,222,125
7	CASH AND BANK BALANCES Cash on hand Balance with scheduled banks - In current accounts Other Bank balances Fixed deposits (maturity more than 12 months)	1,070,801 7,649,703 12,600,000	1,061,541 1,872,230 5,000,000
	Total	21,320,504	7,933,771
8	SHORT TERM LOANS & ADVANCES Unsecured, considered good Advances recoverable in cash or kind Inter-Corporate Deposit Prepaid expenses	3,976,207 - 1,678,857	3,837,481 6,100,000 1,437,603
	Total	5,655,064	11,375,084
9	OTHER CURRENT ASSETS Rent, Electricity & Telephone Deposits Interest accrued but not due on deposits Interest accrued but not received on deposits Other Assets	2,666,340 773,666 - 1,430,260	3,123,671 14,819 247,734 3,739,460
	Total	4,870,266	7,125,684

IFFCO-TOKIO INSURANCE SERVICES LIMITED
C - 1, IFFCO SADAN, DISTRICT CENTRE SAKET, NEW DELHI - 110017
CIN - U65999DL2003PLC121571

NOTES TO PROFIT & LOSS STATEMENT

Notes No.	Particulars	As at 31 st March 2016	As at 31 st March 2015
10	REVENUE FROM OPERATIONS Agency commission Fees for services provided to ITGI	63,409,618 645,160,000	63,619,241 549,610,000
	Total	708,569,618	613,229,241
11	OTHER INCOME Interest income Miscellaneous income	1,118,656 788,418	5,257,624 598,414
	Total	1,907,074	5,856,038
12	EMPLOYEES BENEFITS EXPENSES Salaries & Other allowances Stipend & Incentives to trainees Contribution to Provident and Other Funds Staff welfare expenses Other benefits Outsourcing expenses Managerial sitting & travelling fees	381,397,622 123,991,298 17,283,838 7,183,431 21,706,464 30,983,395 419,969	289,058,440 136,951,745 14,867,066 5,859,027 26,876,862 29,557,645 411,861
	Total	582,966,017	503,582,646
13	FINANCE COST Bank charges DD charges	103,895 39,807	90,548 96,191
	Total	143,702	186,739

Notes No.	Particulars	As at 31 st March 2016	As at 31 st March 2015
14	OTHER EXPENSES		
	Advertisement	31,574	4,135
	Books & Periodicals	271,552	238,649
	Campaign expenses	1,908,703	2,099,117
	Communication expenses	11,641,766	10,997,357
	Rates & Taxes	146,125	77,722
	Rent	39,538,559	35,462,097
	Repair & Maintenance	11,845,214	10,117,091
	Recruitment expenses	217,465	-
	Training expenses	8,140,177	8,431,477
	Travelling and conveyance	22,079,851	19,330,577
	Printing and stationery	9,126,588	8,592,249
	Legal & Professional expenses	4,755,119	4,777,123
	Insurance charges	5,044,329	4,120,636
	Electricity & Water charges	9,432,802	8,031,173
	Miscellaneous expenses	34,211	64,219
	<u>Payment to Auditors</u>		
	Audit fee	160,000	120,000
	Tax audit fees	50,000	30,000
	Others	-	-
	Total	124,424,035	112,493,622
15	EARNING PER SHARE		
	I) Net Profit as per Profit and Loss account available for Equity Shareholders	1,891,119	1,102,538
	II) Weighted average number of equity share for Earning Per Share computation		
	(a) For Basic Earning Per Share of ₹10 each No's	500,000	500,000
	(b) For Diluted Earnings Per Share of ₹10 each No's	500,000	500,000
	III) EPS (Weighted Average)		
	Basic (Rupees)	3.78	2.21
	Diluted (Rupees)	3.78	2.21

NOTE - 16

NOTES FORMING PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention

The Financial Statements are prepared under Historical Cost Convention and on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India, and conform to the statutory requirements prescribed under the Companies Act, 2013 including Accounting Standards notified there under.

b) Use of Estimates

The presentation of the financial statements in conformity with the Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities, revenue and expenses and disclosure of contingent assets and liabilities. Such estimates and assumptions are based on the management's evaluation of the relevant facts and circumstances as on the date of financial statements. Difference between the actual results and estimates are recognized in the period in which the results materialize.

c) Revenue Recognition

- (1) Income from services is recognised when the services are rendered.
- (2) Interest Income is recognised on the time basis determined by the amount outstanding and the rate applicable.

d) Fixed Assets and Depreciation

Fixed Assets are stated at cost less accumulated depreciation. Depreciation on Fixed Assets is provided on straight Line Method at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

e) Taxation

Income Tax expense comprises Current Tax and Deferred Tax charge or credit. Deferred tax resulting from 'timing differences' between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantively enacted. The deferred tax asset is recognised and carried only to the extent that there is a reasonable/virtual certainty that the asset will be realised in future.

f) Provisions and Contingent Liabilities

A provision is recognized where the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. A disclosure of contingent liability is made when there is possible obligation or present obligation that will probably not require outflow of resources or where reliable estimate of the obligation cannot be made.

g) Employees Benefits

- (1) Defined Contribution Plan: Company contribution paid/payable for the year to defined contribution employee benefit schemes are charged to Profit & Loss account.
- (2) Defined Benefit Plan: Company liabilities toward defined benefit schemes are determined using the Projected Unit Credit Method. Actuarial valuation under the Projected Unit Credit Method is carried out at Balance Sheet date. Actuarial gains and losses are recognized in the Profit & Loss account in the period of occurrence of such gains and losses. Past services cost is recognised immediately to the extent of benefit are vested; otherwise it is amortized on straight line basis over the remaining average period until the benefit becomes vested.

- (3) The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

2. NOTES TO ACCOUNTS

A. Employees Benefits

- i) The company has calculated the various benefits provided to employees as under:

a) Defined Contribution Plans

The company makes contributions at a specified percentage of payroll cost towards Employee Provident Fund (EPF) for qualifying employees. The company recognised ₹1,21,81,624/- (Previous year ₹93,36,531/-) for provident fund contribution in the profit & loss account.

b) Defined Benefit Plans

- i. Leave Encashment/Compensated Absences.
ii. Gratuity.

In accordance with Accounting Standard 15 (Revised), an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions.

Particulars	Leave Encashment / Compensated Absences		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Discount Rate (Per Annum)	7.75%	7.75%	7.75%	9.00%
Rate of Increase in compensation level*	10.00%	10.00%	10.00%	10.00%

- Considered taking into account inflation, seniority, promotion and other relevant factors.

Summarized position of employee benefits to be recognised in Balance Sheet and Profit & Loss Account as required in accordance with Accounting Standard 15 (Revised) are as under:

I. Change in present value of obligation

(Amount in ₹)

Particulars	Leave Encashment / Compensated Absences (Unfunded)		Gratuity (Funded)	
	2015-16	2014-15	2015-16	2014-15
Projected Benefit obligation at beginning of year	35,864,760	26,788,582	14,779,582	10,765,481
Current Service Cost	10,324,814	9,461,526	3,747,026	3,010,793
Interest Cost	2,660,585	2,296,164	1,099,165	923,227
Actuarial Loss/(Gain) due to change in assumptions	(7,166,531)	(130,206)	127,715	1,094,888
Benefit Paid	(3,069,270)	(2,551,306)	(1,193,618)	(1,014,807)
Past service cost	-	-	-	-
Projected Benefit Obligation at End of year	38,614,358	35,864,760	18,559,870	14,779,582

II. Amount to be recognised in the Balance Sheet

(Amount in ₹)

Particulars	Leave Encashment / Compensated Absences		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Projected Benefit Obligation at End of the year	38,614,358	35,864,760	18,559,870	14,779,582
Ending Assets	-	-	14,858,241	10,480,813
Funded Status assets/(Liability)	(38,614,358)	(35,864,760)	(3,701,629)	(42,98,769)
Liability (-) / Assets (+) recognised in Balance sheet	(38,614,358)	(35,864,760)	(3,701,629)	(4,298,769)

III. Expenses recognised in the Profit & Loss Account

(Amount in ₹)

Particulars	Leave Encashment / Compensated Absences		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Current Service Cost	10,324,814	9,461,526	3,747,026	3,010,793
Interest Cost	2,660,585	2,296,164	1,099,165	923,227
Expected Return on Plan Asset	-	-	(1,054,874)	(718,593)
Net actuarial (gain)/loss to be recognised in year	(7,166,531)	(130,206)	(45,060)	1,083,342
Past Service Cost	-	-	-	-
Income (-)/Expenses (+) recognised in the statement of Profit & Loss	5,818,868	11,627,484	3,746,257	4,298,769

IV. Plan Assets (at Fair Value)

(Amount in ₹)

Particulars	Gratuity	
	2015-16	2014-15
Plan Assets at the beginning of the year	10,480,813	6,218,052
Expected Return on Plan Assets	1,054,874	718,593
Employer's Contribution	4,343,397	4,547,429
Benefit Payments	(1,193,618)	(1,014,807)
Asset Gain/(Loss)	172,775	11,546
Plan Assets at the end of the year	14,858,241	10,480,813

Gratuity fund is managed by the Life Insurance Corporation of India (LIC). Individual investment details of plan assets are not provided by the LIC.

B. Operating Leases

The Company's significant leasing agreements are in respect of operating leases of premises for the offices of the company. These leasing arrangements are usually renewable on mutually agreed terms but are cancellable. Amount charged to revenue accounts for cancellable operating lease is ₹3,95,38,559/- (Previous year ₹3,54,62,097/-).

C. In the opinion of management current assets & loans & advances have value on realisation in the ordinary course of business at least equal to the amount at which they are stated and all known liabilities have been adequately provided for.

D. Earnings per share

Earnings per share has been reported as per Accounting Standard-20 issued by the Institute of Chartered Accountants of India, which has been computed by dividing net profit after tax by the weighted average number of shares outstanding for the period as under:

(Amount in ₹)

Particulars	2015-16	2014-15
Net Profit/(Loss) as per Profit and Loss Account	18,91,119	11,02,538
Number of Equity Shares	5,00,000	5,00,000
Earnings per Share (Basic & Diluted)	3.78	2.21
Face Value per share	10	10

E. Major elements of deferred tax liabilities/assets created for tax effects of timing difference are as under:

(Amount in ₹)

Particulars	Liabilities		Assets	
	2015-16	2014-15	2015-16	2014-15
Difference in book depreciation and tax depreciation	-	-	151,000	178,000
Expenditure Incurred but allowable under Income Tax Act on payment basis	-	-	11,931,000	11,083,000
Carried forward business loss as per Income Tax Act	-	-	4,270,000	6,009,000
Total	-	-	16,352,000	17,270,000

Net Deferred Tax Asset ₹1,63,52,000/- (Previous year ₹1,72,70,000/-) in accordance with Accounting Standard 22 "Accounting for Taxes on Income", the credit of deferred tax amounting ₹(9,18,000)(Previous Year ₹87,80,000) is recognised in the accounts.

F. Related Party Disclosures:

Related party disclosures as required as per Accounting Standard-18 on "Related Parties Disclosures" issued by the Institute of Chartered Accountants of India are given below:

Name of the Related Party

IFFCO-TOKIO General Insurance Co. Ltd.

Holding Company

Indian Farmers Fertilizers Cooperative Ltd.

Promoter of Holding Co.

Sh Srikanth Charan Mudigonda

Key Management Personnel

(Amount in ₹)

Nature of Relation	Holding Company		Promoter of Holding Company		Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1. Receipt of commission and service charges	708,569,618	613,229,241	-	-	-	-
2. Reimbursement of expenses	6,238,982	6,983,535	1,039,594	296,667	-	-
3. Employee Remuneration	-	-	-	-	3,382,693	4,388,561
4. Insurance Premium Paid	4,190,315	3,110,270	-	-	-	-
5. Insurance Claims Recd	3,326,045	2,571,925	-	-	-	-
6. Interest earned on fixed deposit receipts	-	-	314,622	720,850	-	-
7. Amount payable/(recoverable) at the balance sheet date	(49,249,237)	(59,222,125)	-	-	-	-
8. Fixed Deposits held	-	-	-	7,600,000	-	-

G. Company is engaged in the business of soliciting insurance business and providing insurance related services. There is no separate reportable segment for the purpose of segmental reporting as per Accounting Standard – 17 on "Segment Reporting" issued by Institute of Chartered Accountants of India.

H. Contingent Liabilities - Nil

I. As per information available with the management there are no outstanding dues to the suppliers/contractors/service providers who are registered as Micro, Small or Medium enterprises under "The Micro Small and Medium Enterprises Development Act 2006" as at 31st March 2016.

J. Earning and expenditure in foreign currency - Nil.

K. Previous period figures have been regrouped and rearranged, wherever necessary.

As per our report of even date attached.

For Raghu Nath Rai & Co.

Chartered Accountants
FRN No. 000451N

Samir Jain

Partner
M.No: 77010

Place: New Delhi,
Date: 21st April, 2016

For IFFCO-TOKIO Insurance Services Ltd.

Mr. N.K. Kedia
Chairman
DIN:00050917

Mr. Veer Pratap Singh
Director
DIN:00051787

Mr. Sunil Khatri
Director
DIN:06903603

Mr. Srikanth Charan Mudigonda
CEO

Form No. MGT-11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

IFFCO-TOKIO GENERAL INSURANCE CO. LTD.

Regd. Office: IFFCO Sadan, C1, Distt. Centre, Saket, New Delhi-110017
CIN: U74899DL2000PLC107621

Name of the Member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member(s) of shares of IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED, NEW DELHI, hereby appoint of..... failing him/herof or failing him/her ofas my/our proxy to attend and vote for me/us on my/ our behalf at the Sixteenth Annual General Meeting of the Company to be held on Friday, the 17th June, 2016 at 4.30 PM at IFFCO Sadan, C1, Distt. Centre, Saket, New Delhi-110017 and at any adjournment thereof in respect of such resolutions as are indicated below :

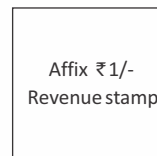
Resolution No.

- 1
- 2
- 3
- 4

Signed this _____ day of _____ 2016

Signature of Shareholder

Signature of Proxy holder(s)



Note: The proxy form duly completed must be received/deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting. A proxy need not be a member.

IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED
Regd. Office: IFFCO Sadan, C 1 District Centre, Saket, New Delhi-110017

ATTENDANCE SLIP

(PLEASE PRESENT THIS SLIP AT ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the 16th Annual General Meeting of the Company to be held on Friday, the 17th June, 2016 at 4.30 PM at IFFCO Sadan, C-I, Distt. Centre, Saket, New Delhi 110017

Name of Shareholder:

Signature.....

Notes

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IFFCO-TOKIO General Insurance Company Limited

Corporate Office: IFFCO TOWER-II, Plot No. 3, Sector 29, Gurgaon-122001, Haryana. Ph: +91-124-2850100, Fax: +91-124-2577923/24

Regd Office: IFFCO SADAN, C-1, District Center, Saket, New Delhi-110017

www.iffcotokio.co.in

CIN No.: U74899DL2000PLC107621