



IFFCO-TOKIO GENERAL INSURANCE CO. LTD

11th ANNUAL REPORT 2010-11



Surinder Kumar Jakhar

(15 April 1953 – 17 January 2011)

Founder Chairman and Director, IFFCO-TOKIO

The journey of life culminates in the river of eternity and the soul gently flows on... you will always be in our hearts...

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Board of Directors



K. Srinivasa Gowda

Chairman



Arthur Lee

Vice Chairman



Balwinder Singh Nakai

Director



Dr. U.S. Awasthi

Director



Dr. B.S. Vishwanathan

Director



Rakesh Kapur

Director



Dr. P.S. Gahlaut

Director



S.K. Kanwar

Director



Bahushrut Lugani

Director



S. Narayanan

Managing Director &
Chief Executive Officer



N.K. Kedia

Director
(Marketing)



Y. Fukuda

Director
(Operations)

BOARD OF DIRECTORS

K. Srinivasa Gowda	Chairman
Takashi Yoshikawa (upto 16th May, 2011)	Vice Chairman
Arthur Lee (w.e.f. 10th June, 2011)	
Surinder Kumar Jakhar (upto 17th January, 2011)	Director
Balwinder Singh Nakai (w.e.f. 10th March, 2011)	Director
Dr. U.S. Awasthi	Director
Dr. B.S. Vishwanathan	Director
Rakesh Kapur	Director
Dr. P.S. Gahlaut	Director
S.K. Kanwar	Director
Bahushrut Lugani	Director
S. Narayanan	Managing Director & Chief Executive Officer
N.K. Kedia	Director (Marketing)
Y. Fukuda	Director (Operations)

SENIOR EXECUTIVES

M.K. Tandon	Financial Advisor
V.S. Rao	Executive Director & Company Secretary
H.O. Suri	Executive Director
U.C. Dubey	Executive Director
K.K. Aggarwal	Executive Vice President
S.S. Kukreja	Executive Vice President
R. Kannan	Executive Vice President
Parag Gupta	Executive Vice President
Sanjay Seth	Executive Vice President
Sanjeev Chopra	Executive Vice President

AUDITORS

G.S. Mathur & Co.,
Chartered Accountants

Raghu Nath Rai & Co.,
Chartered Accountants.

BANKERS

Deutsche Bank,
New Delhi.

Indian Overseas Bank,
New Delhi.

REGISTERED OFFICE

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

CORPORATE OFFICE

"IFFCO TOWER", 4th & 5th Floor,
Plot No. 3, Sector 29,
Gurgaon 122001 (Haryana),
Phone No. 0124-2850100.

IFFCO-TOKIO

NOTICE OF THE ELEVENTH ANNUAL GENERAL MEETING

TO THE MEMBERS

NOTICE is hereby given that the **ELEVENTH ANNUAL GENERAL MEETING** of the Members of **IFFCO TOKIO General Insurance Company Limited** will be held on **Thursday, the 23rd June, 2011, at 4 P.M. 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 Balance Sheet of the Company as at 31st March, 2011 and the Profit and Loss Account for the year ended as on the date together with Auditors Report thereon and the Report of the Board of Directors to the Members.
2. To appoint Director in place of Mr. K. Srinivasa Gowda who retires by rotation and is eligible for reappointment.
3. To appoint Director in place of Mr. Balwinder Singh Nakai who retires by rotation and is eligible for reappointment.
4. To appoint Director in place of Dr. B.S. Vishwanathan who retires by rotation and is eligible for reappointment.
5. 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. G S Mathur & Co., Chartered Accountants and M/s S K Mehta & Co., Chartered Accountants be and are hereby appointed as Joint Auditors of the Company to hold Office from the conclusion of this Annual General Meeting till the Conclusion of the next Annual General Meeting of the Company on a remuneration to be decided by the Board of Directors."

Registered Office

IFFCO Sadan, C1,
Distt. Centre, Saket Place,
New Delhi 110017.
Dated: 30th May, 2011.

By Order of the Board,

(V.S. RAO)

Executive Director &
Company Secretary

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 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 Tuesday, the 16th June, 2011 to Tuesday, the 23rd June, 2011 (both days inclusive)



Decade of Dedication
10
IFFCO TOKIO
2000-2010

DIRECTORS' REPORT

IFFCO-TOKIO

Honourable Members,

- 1.0. Your Directors have pleasure in presenting the Eleventh Annual Report on the activities of your Company together with the audited financial results for the year ended 31st March, 2011 along with the Auditors' Report thereon.

2.0 ECONOMIC ENVIRONMENT

- 2.1 Honorable Members are kindly aware that the overall growth of Gross Domestic Product was 8.6 per cent in 2010-11 representing an increase from the revised growth of 8.0 per cent during 2009-10.
- 2.2. A year after what many define as global economy's worst crisis of confidence, there seems to be growing evidence that the various strategies put in place to tide over the economic crisis are paying off. The first signs of positive growth are evident in many advanced economies. Global production and trade have bounced back while financial markets have recovered faster than expected. There has been a discernable improvement in economic and financial conditions in India too. Industrial production is rebounding; consumers who held back on spending out of fear of job loss have begun to spend more freely as they see job creation begin to take hold. Improvement in global demand is generating a robust rebound in exports while the financial markets are in better shape as evidenced by the continued rally in equities. The collective impact of monetary and fiscal policies, as well as targeted structural measures has been crucial in containing the effects of the global economic downturn on domestic economic activity.
- 2.3. Members are aware that the business landscape has changed significantly in the past one year. The difficult economic scenario compelled companies to re-look at the manner in which they conducted their businesses. Companies that demonstrated cost leadership without losing sight of the needs of the customers have emerged as true leaders in an economy that has turned extremely price sensitive. New business models have emerged, as companies took the path of innovation to stay tuned to customer needs and remain competitive. The crisis has reinforced the importance of good risk management practices. With companies carrying over the lessons of the past year 2010, the expectation is that it will be a more mature India Inc that will emerge from the existing scenario.

3.0 INDUSTRY SCENARIO OF GENERAL INSURANCE

- 3.1 As per the present indications the market growth of Insurance Industry is estimated at 21% for the year 2011-12 as against 22% during the year 2010-11. The Premium growth of Private Players at approximately 24% exceeded that of the Public Sector which recorded a growth of 21%. Hon'ble Members will be happy to note that your Company recorded a premium growth of 21% over the previous year and was ranked at third position amongst Private Players with an overall market share of 4.65%.

4.0 FINANCIAL HIGHLIGHTS

Your Company has completed another year of its operations. Despite the difficult market conditions, your Company has underwritten Gross premium of Rs.1988.86 Crores, including Rs.137 Crores allocated from the motor third party insurance pool as compared to Rs.1639.56 Crores achieved in the previous year, representing an increase of 21% over the previous year. The underwriting results however, show a net loss of Rs.32.70 Crores as against profit before tax of Rs.50.46 Crores budgeted for the year 2010-11.

(a) Indian Motor Third Party Insurance Pool

Members are kindly aware that in terms of the directions issued by the IRDA, Indian Motor Third Party Insurance Pool was formed with effect from 1st April 2007. The Pool is a multilateral Reinsurance arrangement wherein all direct business written in respect of Third Party Insurance of Commercial vehicles is ceded into the Pool. Your Company has been accounting the liabilities on account of Motor Third Party Claims as intimated to it by the Pool Administrator on year to year basis. During the year, a communication was received from IRDA advising that the liability in respect of claims intimated by the Pool in earlier years were undervalued and the same need to be revised upwards. All the non-life Insurance Companies were directed to account for the enhanced liability in respect of earlier years in

the account of the current year. Further, the liability in respect of current year had also been accounted for at the enhanced rate as applicable to earlier years. The share of your Company in the enhanced provision of liability in respect of the period 2007-08 to 2009-10 was determined at Rs.72.33 Crores which has been charged to Profit & Loss Account of the current financial year. In addition, the claim provision for the current financial year as allocated to your Company on account of Motor Pool operation is Rs. 71.28 Crores. Thus the net impact of Motor Pool liability created during the current financial year is Rs.143.61 Crores which has adversely affected the overall profitability of your Company.

(b) Solvency Ratio

The Solvency margin of your Company as at 31st March, 2011 works out to 1.23 as against 1.76 as at the end of the previous financial year. The erosion in solvency margin is mainly due to provision of arrears of liability towards incurred claims of Motor Pool relating to the period 2007-08 to 2009-10 and enhanced liability in respect of financial year 2010-11. IRDA has directed all non Life Insurers to maintain a solvency ratio of 130%, 137%, 145% and 150% for all lines of business as on 31st March 2011, 31st March 2012, 31st March 2013 and 31st March 2014 respectively. Your Company has prepared a financial plan for achieving the prescribed levels of solvency ratio and the same will be submitted to IRDA for their approval.

FINANCIAL RESULTS

<i>Particulars</i>	<i>(Rs. In Cr.)</i>	
	2010-11	2009-10
Gross Written Premium	1988.87	1639.56
Less Reinsurance Premium	736.58	648.73
Net Premium	1252.29	990.83
Unexpired Risk Reserve	117.19	68.61
Earned Premium	1135.10	922.22
Others	0.40	0.10
Total Underwriting Revenue	1135.5	922.32
Net Incurred Claims	990.46	732.67
Expenses of Management	318.64	249.27
Commission Expense (net)	15.11	25.19
Others	0.84	0.38
Total Underwriting Expenses	1325.05	1007.51
Underwriting Profit/Loss	(189.54)	(85.19)
Investment Income:		
Allocated to Revenue A/C	116.04	106.66
Allocated to P& L A/C	22.71	13.26
	<u>138.75</u>	<u>119.92</u>
Others	1.43	3.88
Net Underwriting Surplus/Deficit	(73.51)	21.47
Profit Before Tax	<u>(49.36)</u>	<u>38.61</u>

(d) Marketing

The commercial lines of business have been showing signs of saturation. New investments have shrunk due to global recession. Taking into consideration the potential and profitability of various classes the growth of the market was limited to retail lines of business and more significantly in Motor & Health Segments. Though the retail lines of business did not contribute adequately to the bottom line, however, in view of the growth expected, the Company augmented its business in retail lines without sacrificing the quality and also controlling the incurred claim ratio. The reinsurance market has also been hardening due to increase in claim payments on account of natural disaster as also reduced pricing.

5.0 DIVIDEND

- 5.1. Your Directors have not proposed to declare any dividend for the year in view of net loss for the year and also to comply with the directions of IRDA with regard to the required Solvency Margin.

6.0 INVESTMENTS

- 6.1 The total investments of your Company as on 31st March, 2011 were Rs.1817.98 Crores as against Rs.1279.49 Crores at the end of the previous year. Investments were made in Government Securities and other approved schemes prescribed in IRDA Investment (4th Amendment) Regulations 2008. The average yield on these investments during the year worked out to 8.02% as against 8.33% earned in the previous year.

7.0 CORPORATE GOVERNANCE

- 7.1. Members are aware that IRDA had issued Guidelines on Corporate Governance for the Insurance Sector vide their Circular No: IRDA/F&I/CIR/F&A/012/01/2010 dated 28th January, 2010 and the Companies were directed to ensure compliance of the same with effect from 1st April 2010. These Guidelines prescribed for compliance by Insurance Companies are in addition to the provisions of the Companies Act, 1956, Insurance Act, 1938 and any other laws or Regulations framed there under. The Guidelines inter alia envisaged introduction of (a) Code of Business Conduct and Ethics for Board Members and Senior Management (b) Formulation of Whistle Blower Policy (c) Constitution of Risk Management Committee (d) Constitution of Policy Holders Protection Committee (e) Reconstitution of Audit Committee (f) Appointment of Independent Directors (g) conduct of meetings of Board of Directors etc. Hon'ble Members would be pleased to note that your Company has taken appropriate measures and complied with the requirements as prescribed in the Corporate Governance Guidelines by IRDA. It has been the endeavour of your Company to adopt systems & procedures which would strengthen good corporate governance, transparency, accountability and full disclosure of information to its shareholders and other stakeholders. The Board of Directors had accordingly constituted the following Committees:

(a) Executive Committee

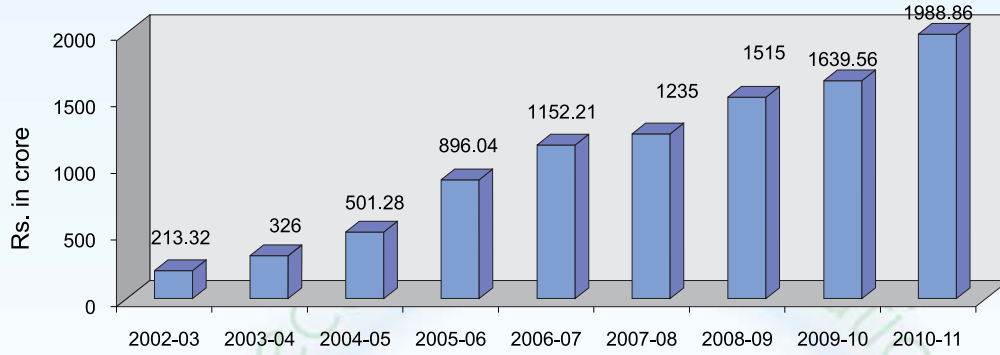
The Executive Committee comprises of one non Executive Director, Managing Director, Director (Operations) and Financial Advisor as its Members. This Committee is responsible for finalization of Business Plan, Annual Budgets, review of operations, review of performance of personnel, HRD issues, etc.

(b) Investment Committee

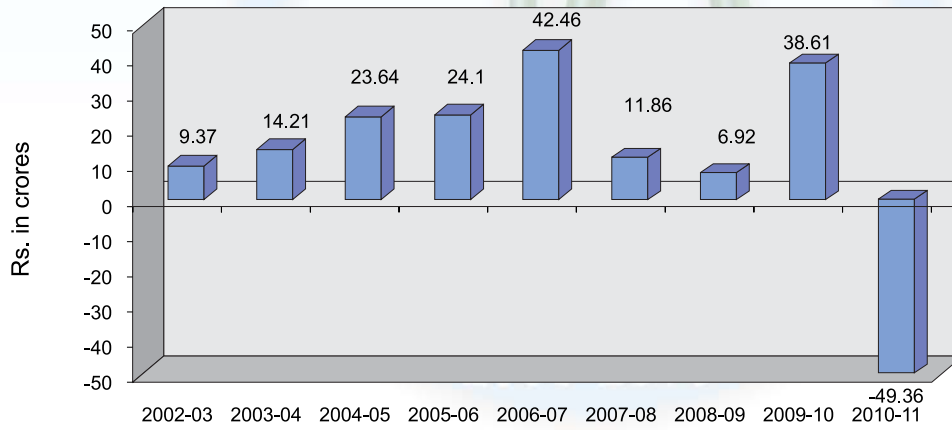
The Investment Committee comprises of two Non-Executive Directors, Managing Director, Financial Advisor, Chief of Investment Division, Chief of Finance Division and Appointed Actuary. The Investment Committee is responsible for formulating the Annual Investment Policy, laying down guidelines for investment of surplus funds, approval of investment decisions, monitoring the implementation of approved investment policy and guidelines and also compliance of IRDA (Investment) Regulations.

Your Board of Directors had appointed M/s. N.K. Bhargava & Co., Chartered Accountants as Concurrent Auditor for auditing the Investment accounts. The auditors conducted regular audits on monthly basis and audit reports / observations made by them were submitted in every meeting of the Investment Committee for consideration.

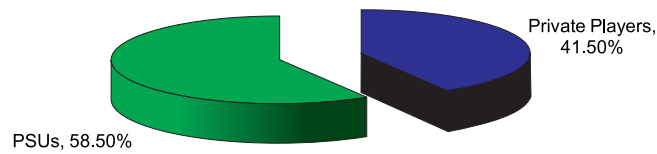
GWP Growth



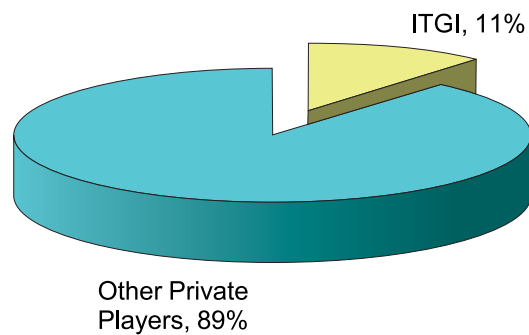
PBT Performance



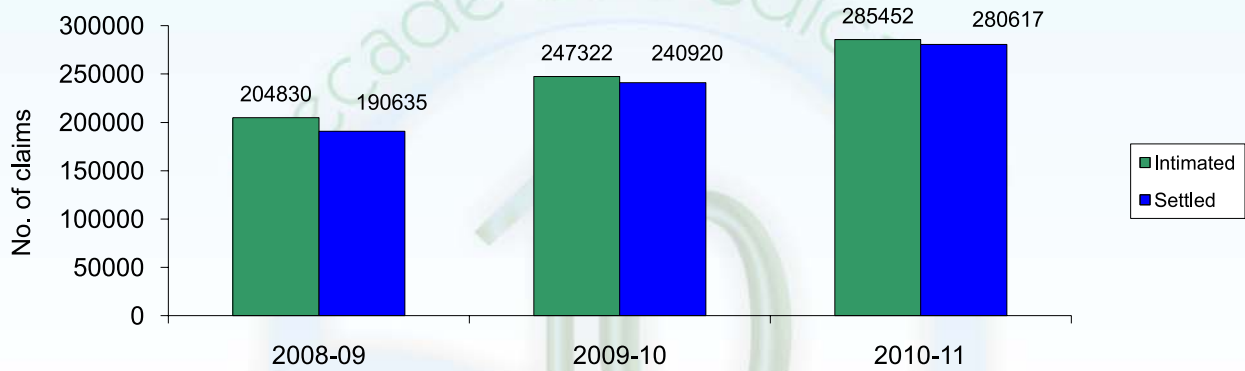
Market Share of Private Players



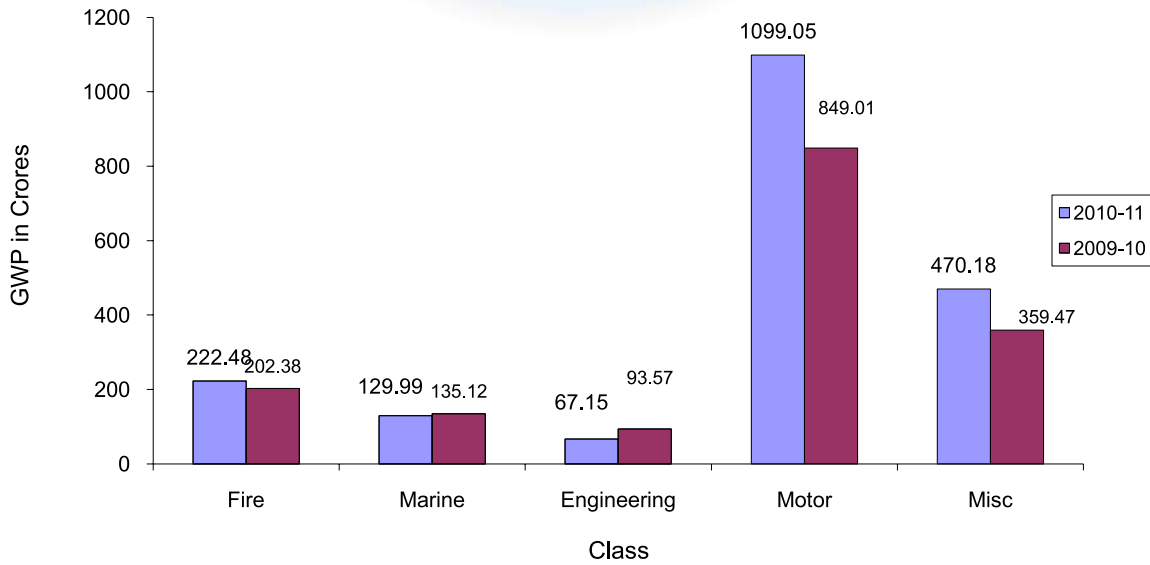
ITGI Share Among Private Insurers



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Class wise GWP Breakup



(c) Audit Committee

Pursuant to the Guidelines on Corporate Governance issued by IRDA, your Board of Directors had reconstituted the Audit Committee consisting of Mr. Bahushrut Lugani, Chartered Accountant, an independent Director as Chairman. In addition, two non- Executive Directors and Managing Director are the Members of the Committee. The terms of reference of the Audit Committee inter alia include-

- (i) Review of Financial and Accounting policies and practices of the Company.
- (ii) Review the efficiency of the internal control; mechanism of the Company.
- (iii) Review the reports furnished by the internal and statutory auditors.
- (iv) Review the periodical and annual financial statements before submission to the Board.
- (v) Recommend appointment, remuneration, performance and oversight of the work of Auditors (internal/statutory/concurrent)

(d) Risk Management Committee

In compliance with the Guidelines on Corporate Governance by Insurers issued by IRDA, your Company constituted Risk Management Committee comprising of Director (Operations) as its Chairperson, Executive Director & Company Secretary/Compliance Officer, Head (Underwriting) and Chief Financial Officer of the Company as Members. The Committee is responsible for monitoring all the risks across various lines of business of the Company, reviewing the business underwritten, investment of funds, reinsurance supports, major claims, amount recoverable and such other business activities which have a potential of exposing the Company to avoidable risks.

(e) Policyholders Protection Committee

In compliance with the Guidelines on Corporate Governance issued by IRDA your Company has also constituted Policyholders Protection Committee comprising of Director (Mktg) as its Chairperson, Head (Claims), Head (Retail Marketing), Chief Investment Officer and Chief Grievance Officer. The Committee is responsible for reviewing the complaints and grievances of policyholders as also compliance with statutory requirements as laid down in the regulatory framework.

- 7.2. During the year 6 meetings of the Board of Directors, 8 meetings of the Executive Committee, 4 meetings of the Audit Committee, 4 meetings of the Investment Committee, 4 meetings of Risk Management Committee and 4 meetings of Policyholder Protection Committee were held. All the meetings were well attended.
- 7.3. A Report on Corporate Governance pursuant to IRDA Guidelines issued is placed at Annexure "A".

8.0 COMPLETION OF TEN YEARS OF SUCCESSFUL OPERATIONS

- 8.1 Your Company completed ten years of operations on 4th December 2010. The first decade of IFFCO TOKIO's existence was challenging and satisfying. With the valuable guidance of the Members of the Board, support from Promoters viz. IFFCO, Tokio Marine and IPL, guidance from IRDA, commitment and dedication from the employees, support from the business partners and customers etc, your Company achieved commendable success in all areas of operations.

9.0 CUSTOMER SERVICE

- 9.1. Members would recall that with the objective of providing prompt services to our customers and optimize utilization of resources, your Company had set up Customers Service Centers (CSCs) located at Mumbai, Kolkata, Vadodara, Bangalore, Delhi (NCR), Delhi (North) and Bhopal. These Centers apart from handling financial accounting in respect of branches under their respective control have significantly reduced the turnaround time in respect of claims preferred by the customers. The centers handled approximately 2.85 lakh claims during the financial year and were able to achieve a settlement ratio of 83.20 % on an average. Besides Customers servicing the seven Customer Service Centres and the Centralized Claim unit located at Corporate Office, Gurgaon also focused on Claims / loss control measures by introducing

IFFCO-TOKIO

e-survey and on line technical scrutiny of Motor claims, improved salvage management and utilizing the services of in house surveyors.

- 9.2 In addition to the Centers for servicing of Customers in respect of Claims, the underwriting Hubs set up by your Company in Gurgaon Corporate Office and Mumbai operated effectively during the year. The Underwriting Hubs are mainly responsible for timely issuance of error free policy documents, standardization of documentation, optimum utilization of core resources etc. With the constant increase in retail lines of business and growing number of customers, Customers Relationship Management (CRM) has been implemented to minimize the time taken in issuance of policies.

10.0 SPREAD OF OPERATIONS

- 10.1. Your Company has expanded its operations during the year under report in several potential market areas. Members would be happy to know that all the Branches across the country are on line on the IT system. Your Company has plans to further strengthen its operations by expanding its business in potential market areas and in rural segments so as to make its services easily accessible to its customers across the country. During the year, 5 new Branches were set up to augment services to its customers.

11.0 INFORMATION TECHNOLOGY

- 11.1 Hon'ble members are kindly aware that the Company is using a dedicated Insurance Software 'Polisy-400' in conducting of business, viz. Underwriting, accounting, Issue of policy documents, regulation and settlement of claims and service to its customer.
- 11.2 During the year the Company has formed a separate In house Health Claims Team which is responsible for servicing health claims of the Company. This team has been provided with new claims management software MEDEZEE to provide prompt and improved service to the customers. Your Company has also introduced new channel for sale of overseas travel insurance under which the software being used by network of travel agents has been integrated with the Company's underwriting system to facilitate issue of travel policies by the respective travel agent through their dedicated booking software. For the purpose of business continuity Disaster Recovery Infrastructure has also been set up. The Company has also obtained ISO 27001 for its IT Department and Data Centre in Gurgaon.

12.0 BUSINESS PLAN FOR FINANCIAL YEAR 2011-12

- 12.1. Members are aware that your Company has achieved a GWP of Rs. 1851 Crores (excluding allocation of Rs.137 Crores from the Motor Third Party Insurance Pool) during the year ended 31st March, 2011. The Company has set a target of Rs. 2100 Crores (excluding anticipated allocation that may be made by the Motor Pool) for the financial year 2011-12 comprising of Rs. 500 Crores from Commercial Lines and Rs. 1600 Crores of Retail lines. As per the present market scenario the opportunities in Commercial lines of Business have shrunk considerably due to the impact of detarification and economic slow down in the preceding two years. In the proposed Budget for the year 2011-12 mobilisation of business from the Retail segment has been planned since it is anticipated that it will continue to grow as in the previous year.

(a) MARKET STRATEGY

Your Company has drawn a strategy for profitable growth by focusing on profitable lines of business and reducing focus on unprofitable lines. Accordingly motor would continue to be our growth driver but with stringent guidelines to ensure business quality and loss control through streamlined processes. Your Company would have a reduced focus on certain lines such as Aviation, Marine and Group health while projecting a modest growth in Commercial Lines. In order to improve profitability and maintain the prescribed solvency margins, there would be an increased focus on non-motor retail basket comprising of products like Home, Individual health and Travel which have been profitable but volumes have been low. The SBUs have been given targets for 2011-12 in the said retail basket. Since the emphasis on the Business Plan is to augment retail lines of business, your Company would encourage low cost distribution channels viz. ITIS, Individual Agents, Cooperatives and Bancassurance.

(b) PRODUCT DEVELOPMENT

Members are aware that your Company presently sells various products customized to suit the needs of target market segments like, art lovers, industries and corporate, International travelers, semi urban and rural segments of the Indian market.

(c) REINSURANCE

Your Company formulated its Reinsurance Programme in line with the guidelines laid down by Insurance Regulatory and Development Authority (IRDA). The reinsurance programme finalized aims at -

- (a) optimum retention within the country consistent with prudent risk retentions to reduce foreign exchange outgo.
- (b) develop adequate automatic reinsurance capacity within the Indian Insurance market to maximize the market retention as also to create sufficient automatic capacity to absorb mega risks and to
- (c) secure the best possible protection with top class securities at economical cost.

Further in order to mitigate the risk arising out of single large loss and /or catastrophe affecting Company's net retentions, your Company has also taken excess of loss and catastrophe cover.

(d) RISK MANAGEMENT

Risk is fundamental to life-both human and corporate. Insurance being the business of transfer of risks from client to insurer, its viability depends on underwriter's ability to precisely assess the risk. As Members are aware, your Company has formed a Risk Management Committee which is proficient in qualitative evaluation of risk, providing safety consultancy for loss reduction and suggesting measures for risk mitigation to the client. In the detariffed market scenario this team is striving to develop expertise in areas like risk pricing, business continuity planning, earthquake hazard simulation, consequence analysis and Marine loss reduction which will help us in offering a bouquet of services to the clients. The strength of the Team has been increased keeping in view the detariff scenario and the challenges anticipated to be faced by your Company in the new environment. The Company continues to follow loss control measures in motor insurance with the help of e-survey, on-line scrutiny of motor claims, improved salvage management and increased use of in-house surveyors.

(e) RURAL BUSINESS

Based on commitment to serve the rural masses, the Company has strived continuously to improve upon its product and delivery systems. This has given excellent results and in weather based crop insurance scheme, the Company covered more than three lakh people this year. The premium income has jumped from Rs. 5.91 Crores in 2009-10 to Rs. 52.72 Crores in 2010-11.

The Company also participated in the government sponsored "Rashtriya Swasthya Bima Yojna", a health scheme for people living below poverty line. Already, more than fifty thousand people have been enrolled under this scheme in the state of Punjab.

The Innovation of using RFID tags in livestock insurance has been well accepted by the farmers and the premium has shown a quantum jump of more than 250%. Based on market feedback, Janta Bima Yojana was relaunched with personal accident cover replacing Critical illness and additional cover of house building against fire, storms and floods. The policy was well accepted in the market and in three months of its relaunch in January, 2011 achieved a premium income of Rs. 70 lacs. This year also, to extend the benefits of insurance to the rural masses, a micro insurance campaign was held in the month of January and February 2011 and netted a premium income in excess of 1.5 crores. Sankat Haran Bima Yojna, which has entered in 10th year, has so far benefitted 10,706 beneficiaries with the claim disbursement to the tune of Rs. 64.91 Crores.

- 12.2. As per the Regulations notified by IRDA, your Company was required to underwrite 7% of Gross Direct Premium towards Rural business and insure 55,000 lives for compliance with the social sector obligations.

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The Members would be happy to note that the actual business underwritten in respect of Rural Sector works out to 14.26 % of Gross Direct Premium and that the Company had covered 18.82 lakh lives during the year. The Company places on record its appreciation to IFFCO and its Member Co-operatives, who have extended its unstinted support to the Company to enable it to fulfill the mandatory requirements.

13.0 IFFCO-TOKIO INSURANCE SERVICES LIMITED - A WHOLLY OWNED SUBSIDIARY

- 13.1 Members are aware that your Company with a view to penetrate deeper into the SME and retail market and to create inroads in rural markets created a dedicated channel for marketing IFFCO TOKIO products and also service its esteemed customers had formed a wholly owned subsidiary under the name of IFFCO-TOKIO Insurance Services Limited. The Company during its operations for the year ended on 31st March, 2011 contributed business valuing Rs.878 Crores as against Rs.651.12 Crores during the previous year to IFFCO TOKIO and earned a profit before tax of Rs. 22.58 lakhs as against Rs. 18.88 lakhs during the previous year. ITIS has served the semi-urban and rural segments of India with innovative products of IFFCO TOKIO and serviced several customers.
- 13.2. IFFCO TOKIO Insurance Services Limited (ITIS) has scaled new heights by extending its presence to over 378 locations during the year. Continuing with its efforts to get closer to the rural populace, the Company has penetrated further into the tier B and C class cities through its various Offices and Bima Kendras. The Company has on its rolls over 1416 trained persons comprising of Employees and Trainees who procure business and also render services to IFFCO-TOKIO customers both in urban and rural areas.
- 13.3. As required under section 212(1) of the Companies Act, 1956, the audited accounts and other particulars of the Subsidiary Company are appended. The Statement of Interest in the Subsidiary Company (ITIS) in accordance with Section 212 of the Companies Act, 1956 is also enclosed at Annexure "B".

14.0 HUMAN RESOURCE DEVELOPMENT

- 14.1. Human resource is an invaluable asset of your Organization. Suitable strategies were evolved during the year to achieve the vision of the Company viz., winning the trust of the Customer through fairness, transparency and quick response. In order to empower and motivate the employees, compensation package was revised at all levels with suitable rationalization in designations. The incentive schemes are linked to employees own performance as well as of the Company. The employees of the Company rendered their full cooperation and support to the management. Your Directors place on record their appreciation to all the employees for their cooperation.
- 14.2. During the year under Report, the Training and Development Division was strengthened by placing a Senior Executive on full time basis and a few faculties. A Permanent Consultant as Faculty was also placed to meet the increasing needs of Training requirements. More than 1000 employees were trained on various training programmes conducted in 156 days during the year. The Company has also deputed number of employees to various seminars and Training Programmes conducted in India and abroad. The Training and Development division also conducted training programmes on improving soft skills and on the job training etc.
- 14.3. INFORMATION UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956
Information as per the provisions contained Under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 for the year ended 31st March, 2011 is placed at Annexure - "C".

15.0 CONSERVATION OF ENERGY AND TECHNOLOGY

- 15.1. As your Company does not carry out any Manufacturing activity, the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable in this regard and accordingly the information is not provided.

FOREIGN EXCHANGE EARNINGS AND OUT GO

The particulars of Foreign Exchange earnings/outgo as required by the Companies Act, 1956 are given below.

EARNINGS

Rs. 11,038.91 Lakhs
(Previous year Rs.20,819 lakhs)

OUTGO

Rs. 19,011.44 Lakhs
(Previous year Rs. 17,911 Lakhs)

16.0 PUBLIC DEPOSITS

16.1 Your Company has not accepted any Public deposits during the year under review.

17.0 AUDITORS' OBSERVATIONS

- 17.1. The Report of the Auditors to the Members of the Company is annexed to the financial statements for the year ended 31st March, 2011. The Auditors have drawn attention of the Members to the solvency ratio of the Company as on 31st March 2011 which is below the limit prescribed by IRDA.
- 17.2. In connection with the Auditors observation, it is submitted that the erosion in solvency ratio during the financial year was mainly due to accounting of arrears of liability towards incurred claims of Motor Pool relating to the period 2007-08 to 2009-10 as per the directives of IRDA. A financial plan to achieve the prescribed solvency ratio has been approved by your Board of Directors and the same has been submitted to IRDA for approval.

18.0 BOARD OF DIRECTORS

(a) Demise of Shri Surinder Kumar Jakhar, Founder Chairman

It is with great regret and deep sorrow that your Directors bring to your notice, the sudden passing away of Shri Surinder Kumar Jakhar, on 17th January, 2011. Shri Surinder Kumar Jakhar, the founder Chairman and Director of IFFCO TOKIO took a keen interest in the Company's affairs. He was instrumental for the overall development and growth of the Company. As a leading agriculturist with vast experience, his advice and guidance strengthened your Company to grow from a humble beginning to all round development both in terms of its geographical spread and launching of new products. With his vision in agriculture and farming IFFCO TOKIO is the pioneer in penetrating into the rural market and serving millions of farmers and rural masses. The Board of Directors have been deprived of his wise counsel and your Directors place on record their deep appreciation of the valuable services rendered by Shri Surinder Kumar Jakhar to the Company in many spheres.

(b) Appointment of Independent Directors

During the year, Mr. S.K. Kanwar and Mr. Bahushrut Lugani, appointed as Additional Directors on the Board with effect from 1st April, 2010, were appointed as independent Directors of the Company at the 10th Annual General Meeting of the Company held on 25th May, 2010.

(c) Appointment of Nominee Directors

Mr. Balwinder Singh Nakai was nominated during the year as nominee Director of IFFCO on the Board of the Company in the casual vacancy caused due to the sudden demise of Mr. Surinder Kumar Jakhar, Director. Consequently, Mr. Nakai was appointed on the Board of IFFCO TOKIO with effect from 10th March, 2011.

(d) Reappointment of Managing Director and Whole time Directors

- Your Board of Directors have reappointed Mr. S. Narayanan as Managing Director for a period of two years effective from 1st November, 2010 to 31st October, 2012 on the expiry of his tenure of appointment as Managing Director as on 31st October, 2010.
- The Board of Directors have also reappointed Mr. N.K. Kedia as Director (Marketing) for a period of one year effective from 1st November, 2010 to 31st October, 2011. Mr. Y. Fukuda, Director (Operations) was reappointed for a period of two years effective from 1st November, 2010 to 31.10.2012 on remuneration approved by the Members. The Company has obtained necessary approvals from the competent authorities for the same.

- 18.1. In accordance with the provisions contained in Articles 102, 103 and 104 of the Articles of Association of your Company, Mr. K. Srinivasa Gowda, Mr. Balwinder Singh Nakai and Dr. B.S. Vishwanathan, Directors retire by rotation at the ensuing Annual General Meeting and are eligible for reappointment.

19.0 AUDITORS

- 19.1. M/s Raghu Nath Rai & Co. and M/s G.S. Mathur & Co. were appointed as Joint Statutory Auditors of your Company for the financial year 2010-11 and they will continue in the Office till the conclusion of the ensuing Annual General Meeting.
- 19.2. As per the Revised Guidelines for Appointment of Statutory Auditors of Insurance Companies issued by IRDA each insurance Company is required to have two Auditors on a Joint Audit and one of the Joint Auditor may have a term of five years and the other four years in the first instance. Thereafter, the maximum duration for which the Auditor could be retained would be for a period of five years. M/s Raghu Nath Rai & Co. one of the Joint Auditors would be completing five years at the conclusion of the ensuing Annual General Meeting and are not eligible for re-appointment.
- 19.3. The Company has received communication from M/s G.S. Mathur & Co, Auditors confirming their willingness to accept the audit of the Company in the event of their reappointment.
- 19.4. The Company has received communication from M/s S.K. Mehta & Co., Chartered Accountants, confirming their willingness to accept the audit of the Company in the event of their appointment and stating that their appointment, if made, will be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956 and they fulfill the eligibility criteria specified under IRDA Regulations for appointment as Statutory Auditors. Notice of the ensuing Annual General Meeting provides for appointment of Auditors as per the provisions of the Companies Act, 1956.

20.0 DIRECTORS' RESPONSIBILITY STATEMENT

- 20.1. The Board of Directors of your Company confirms:
- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed and that there has been no material departure.
 - ii. That the selected accounting policies were applied and the Directors made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the profit of the Company for the period ended on that date;
 - iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies act, 1956 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.

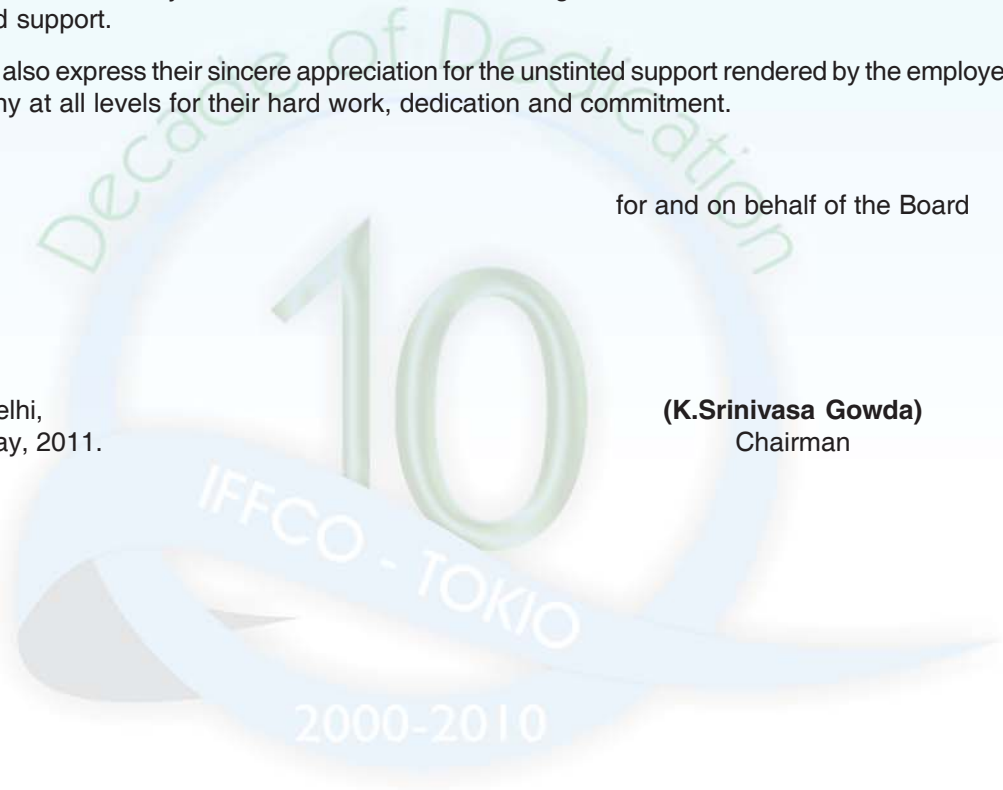
21.0 ACKNOWLEDGEMENTS

- 21.1. Your Directors express their gratitude to all customers of your Company for their valuable patronage, shareholders, the Insurance Regulatory & Development Authority, General Insurance Council, Tariff Advisory Committee, General Insurance Corporation of India, Reinsurers and other statutory authorities for their continued support and guidance to the Company. Your Directors also place on record their sincere thanks to its Statutory Auditors, Bankers, Insurance Agents, Brokers and other constituents for their continued support.
- 21.2. 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

Place: New Delhi,
Dated: 16th May, 2011.

(K.Srinivasa Gowda)
Chairman



REPORT ON CORPORATE GOVERNANCE

In accordance with the "**Corporate Governance Guidelines for Insurance Companies**" issued by IRDA vide Circular No. IRDA/F&A/CIR/025/2009-10, the Report containing the details of Governance systems and practices at IFFCO TOKIO General Insurance Company Limited is as under:

1.0 Corporate Governance Practices

IFFCO TOKIO General Insurance Company Limited believes that sound Corporate Governance practices are essential for healthy growth of business and to repose confidence in all interested parties. IFFCO TOKIO has placed sound corporate governance practices for improving long term values. The corporate governance philosophy of IFFCO TOKIO has been 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, 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

As part of good Governance, the Company, in compliance with the Guidelines issued by IRDA, has appointed independent Directors on the Board. The Board of Directors 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. The Board has constituted all mandatory Committees as prescribed in the Guidelines and the same are functional.

4.0 Board of Directors Meetings

Six Meetings of the Board of Directors were held during the year as against the minimum requirement of four meetings. The Company has held at least one Board meeting in every three months and the maximum time gap between any two meetings was not more than four months. The details of the Board meetings held during the year are as under:

S. No	Date	Board Strength	No of Directors present
1	27th April, 2010	12	10
2	4th August, 2010	12	12
3	22nd September, 2010	12	12
4	18th November, 2010	12	11
5	10th December, 2010	12	11
6	10th March, 2011	11	11

The names of the Board of Directors and their attendance at the Board Meetings held during the financial year 2010-11 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	6	6
2	Mr. Takashi Yoshikawa	M.B.A	Insurance	Vice Chairman	6	4
3	Late Mr. Surinder Kumar Jakhar*	Graduate	Finance	Director	6	4
4	Mr. Balwinder Singh Nakai**	Graduate	Agriculture	Director	6	1
5	Dr. B.S. Vishwanathan	Ph.d., B.Com.	Management	Director	6	6
6	Dr. U.S. Awasthi	Ph.d. and Chemical Engineering	Management	Director	6	6
7	Mr. Rakesh Kapur	B. Tech (Mechanical)	Finance	Director	6	6
8	Dr. P.S. Gahlaut	Ph.d., B.Sc. (Hons.)	Business Management	Director	6	5
9	Mr. Bahushrut Lugani	C.A., B.Sc.	Finance	Independent Director	6	6
10	Mr. S.K. Kanwar	Graduate	Insurance	Independent Director	6	6
11	Mr. S. Narayanan	M.Sc. (Maths), A.I.I.I from Insurance Institute of India	Insurance	Managing Director & C.E.O	6	6
12	Mr. N.K. Kedia	B.Sc (Engg.) Mechanical, Licentiate from Insurance Institute of India	Marketing	Director (Marketing)	6	6
13	Mr. Yasunobu Fukuda	B. Com	Operations	Director (Operations)	6	6

* Late Mr. Surinder Kumar Jakhar ceased to be Director effective from 18th January, 2011

** Mr. Balwinder Singh Nakai was appointed as Director w.e.f. 10th March, 2011

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 2010-11 are as under:

(A) Investment Committee

Four Meetings of the Investment Committee were held during the year, thereby meeting the minimum requirement of convening four meetings in a year. The Company has held at least one Investment Committee meeting in every three months and the maximum time gap between any two meetings was not more than four months. The details of the Investment Committee meetings are as under:

S.No.	Date	Strength	No of Directors / Members present
1	4 th August, 2010	7	7
2	22 nd September, 2010	7	7
3	12 th January, 2011	7	6
4	23 rd February, 2011	7	7

The names of the Board of Directors and other Members present at the Investment Committee Meeting held during the financial year 2010-11 and the attendance are 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. K.K. Wadhwa	Member/ Appointed Actuary	4	3
4	Mr. S. Narayanan	Member	4	4
5	Mr. M. K. Tandon	Member / Financial Advisor	4	4
6	Mr. H. O. Suri	Member / Chief Investment Officer	4	4
7	Mr. Sanjeev Chopra	Member / Chief Finance Officer	4	4

(B) Audit Committee

Four Meetings of the Audit Committee were held during the year, thereby meeting the minimum requirement of convening four meetings in a year. The Company has held at least one Audit Committee meeting in every three months and the maximum time gap between any two meetings was not more than four months. The details of the Audit Committee meetings are as under:

S.No.	Date	Strength	No of Directors / Members present
1	26 th April, 2011	4	4
2	5 th August, 2010	4	4
3	18 th November, 2010	4	4
4	28 th February, 2011	4	3

The names of the Board of Directors and other Members of the Audit Committee Meetings held during the financial year 2010-11 and the attendance are as under:

S.No.	Name of the Member(s)	Status of Directorship	No. of Meetings held	No. of Meetings attended
1	Mr. Bahushrut Lugani	Chairman	4	4
2	Mr. Surinder Kumar Jakhar*	Chairman	4	3
3	Dr. P.S. Gahlaut**	Member	4	0
4	Mr. Rakesh Kapur	Member	4	4
5	Mr. S. Narayanan	Member	4	4

* Late Mr. Surinder Kumar Jakhar ceased to be the Chairman / Member of the Audit Committee w.e.f. 18th January, 2011

** The appointment of Mr. Bahushrut Lugani as Chairman of the Audit Committee and Dr. P.S. Gahlaut as the Member of the Audit Committee came into effect from 10th February, 2011

(c) Risk Management Committee

Four Meetings of the Risk Management Committee were held during the year, thereby meeting the minimum requirement of convening four meetings in a year. The Company has held at least one Risk Management Committee meeting in every three months and the maximum time gap between any two meetings was not more than four months. The details of the Risk Management Committee meetings are as under:

S.No.	Date	Strength	No of Directors / Members present
1	29 th June, 2010	3	3
2	27 th October, 2010	4	4
3	23 rd February, 2010	4	4
4	24 th March, 2011	4	4

The names of the Board of Directors and other Members of the Audit Committee Meetings held during the financial year 2010-11 and the attendance are as under:

S.No.	Name of the Member(s)	Status of Directorship	No. of Meetings held	No. of Meetings attended
1	Mr. Y. Fukuda*	Chairman / Chief Risk Officer	4	3
2	Mr. V.S. Rao	Member	4	4
3	Mr. Sanjay Seth	Member	4	4
4	Mr. Sanjeev Chopra	Member	4	4

* Mr. Y. Fukuda was appointed as the Chairman and Member of the Risk Management Committee w.e.f. 4th August, 2010

(d) Policyholders Protection Committee

Four Meetings of the Policy Holders Protection Committee were held during the year, thereby meeting the minimum requirement of convening four meetings in a year. The Company has held at least one Policyholders Protection Committee meeting in every three months and the maximum time gap between any two meetings was not more than four months. The details of the Policy holders Protection Committee meetings are as under:

IFFCO-TOKIO

S.No.	Date	Strength	No of Directors / Members present
1	30 th June, 2010	3	3
2	25 th October, 2010	5	5
3	23 rd February, 2010	5	5
4	21 st March, 2011	5	5

The names of the Board of Directors and other Members present at the Policy holders Protection Committee Meetings held during the financial year 2010-11 and the attendance are as under:

S.No.	Name of the Member(s)	Status of Directorship	No. of Meetings held	No. of Meetings attended
1	Mr. N. K. Kedia*	Chairman	4	3
2	Mr. V.S. Rao**	Member	4	3
3	Mr. H.O. Suri	Executive Director/Chief Investment Officer	4	4
4	Mr. Parag Gupta	EVP/Head (Claims)	4	4
5	Mr. R. Kannan	EVP/Head (Retail Marketing)	4	4

* Mr. N.K. Kedia was appointed as the Chairman and Member of the Policyholders Protection Committee w.e.f. 4th August, 2010

** Mr. V.S. Rao was co-opted as the Member of the Policyholders Protection Committee of IFFCO TOKIO w.e.f. 4th August, 2010

8.0 Non-Mandatory Committees

(a) Executive Committee

The Company constituted an Executive Committee, which is in operation since the inception of the Company. The Committee is primarily responsible for finalization of Business Plan, Annual Budgets, review of operations, review of performance of personnel, HRD issues, etc. During the financial year 2010-11, Eight Executive Committee Meetings were held by the Company.

(b) Selection and Remuneration Committee

The Board of Directors constituted a Selection and Remuneration Committee for considering re-appointment of Managing Director and functional Directors and also fix their salary. A meeting of the Selection and Remuneration Committee was held during the financial year 2010-11 and the recommendations of the Committee were approved by the Board.

9.0 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.

10.0 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.

11.0 Compliance Certificate of the Company Secretary

Certificate from the Company Secretary confirming compliances as stipulated under the IRDA 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, V.S. Rao, Executive Director and Company Secretary 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.

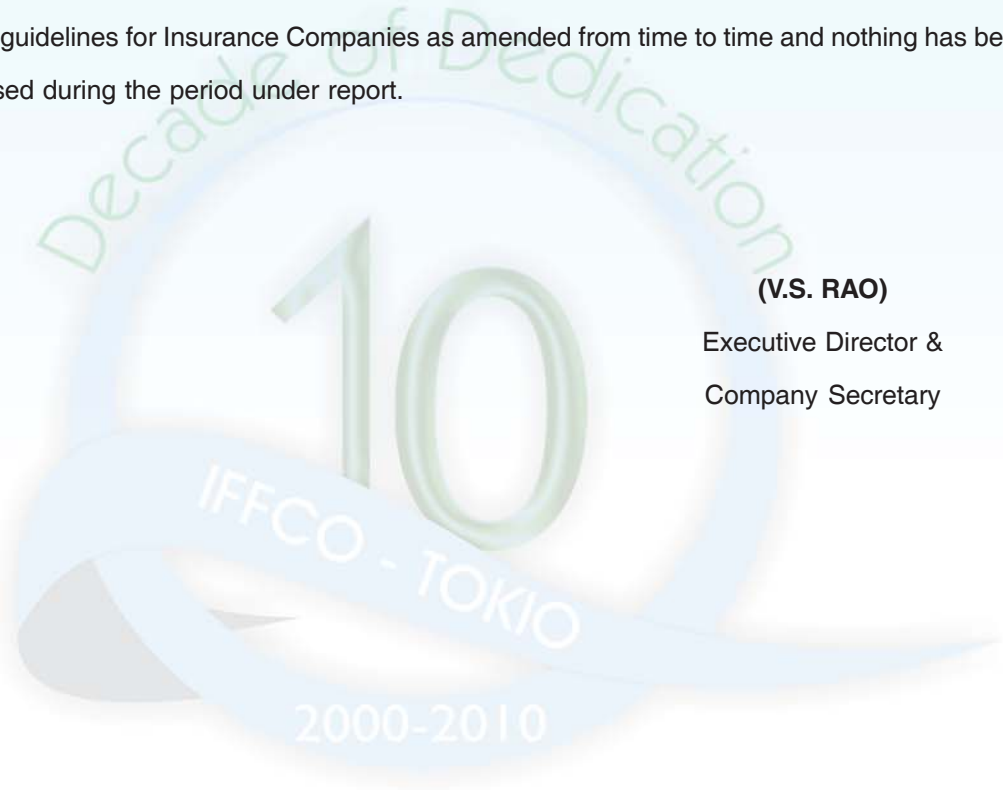
Place: New Delhi,

Date: 16th May, 2011.

(V.S. RAO)

Executive Director &

Company Secretary



Statement of Interest in the Subsidiary Company (ITIS) Under Section 212 of the Companies Act, 1956

1. The extent of Company's interest in the subsidiary at the end of the financial year of the Subsidiary Company :

Entire Equity Share Capital of the IFFCO - TOKIO Insurance Services Ltd. as on 31st March, 2011 (5,00,000 shares of Rs. 10/- each fully paid) are held by IFFCO-TOKIO General Insurance Company limited.

2. The net aggregate amount of the subsidiary's profit so far as it concerns Members of the Company and is not dealt with in the company accounts:

For the financial year of the subsidiary, Profit of the subsidiary company for the period ended 31st March, 2011 is Rs. 15,53,299. Profit for the previous financial years of the subsidiary since it became holding Company's subsidiary is Rs. 53,21,487.

3. The net aggregate amount of the subsidiary's profit after deducting its losses or vice versa so far as these are dealt with in the Company's accounts:

- | | |
|--|-------|
| (i) For the financial year of the subsidiary | - NIL |
| (ii) For the previous years of the subsidiary since it became holding company's subsidiary | - NIL |

IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED

Statement under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 for the year ended 31st March 2011

S. No.	Emp. Code	Name of the Employee	Age (years)	Designation/ Nature of duties	Gross Remuneration (Rs. in Thousands)	Qualification	Experience (Years)	Date of Commencement of employment	Particulars of Previous employment
1	10141	Mr. S Narayanan	59	MD & CEO	6,352	M.Sc. (Maths), Associate from I.I.I.,	32.6	5-Oct-01	Reliance GIC Ltd.

IFFCO-TOKIO

Decade of Dedication

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IFFCO - TOKIO

2000-2010

AUDITORS' REPORT

To the Members of IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

1. We have audited the attached Balance Sheet of Iffco Tokio General Insurance Company Limited (the Company), as at March 31, 2011, and also the Revenue accounts relating to fire, marine and miscellaneous insurance business, the Profit and Loss account and the Receipts and Payments account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement's presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory;
 - (b) In our opinion, proper books of account, as required by law have been maintained by the Company so far as appears from our examination of those books;
 - (c) We have audited the branches and head office of the Company;
 - (d) The Balance Sheet, the Revenue accounts, the Profit and Loss account and the Receipts and Payments account referred to in this report are in agreement with the books of account;
 - (e) The actuarial valuation of liabilities in respect of Claims 'Incurred But Not Reported' (IBNR) and Claims 'Incurred But Not Enough Reported' (IBNER) as at 31st March, 2011, has been duly certified by the appointed actuary and relied upon by us. The appointed actuary has certified that the assumptions used for such valuation are appropriate and are in accordance with the requirements of the IRDA and Actuarial Society of India.
On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.
4. In our opinion and to the best of our information 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 in Section 211(3C) of the Companies Act, 1956 and with the accounting principles, as prescribed in the Regulations or any order or direction issued by IRDA in this behalf;
 - (b) The Balance Sheet, the Revenue accounts, the Profit and Loss account and the Receipts and Payments account referred to in this report are prepared in compliance with the accounting standards referred to in Section 211(3C) of the Companies Act 1956;
 - (c) Investments have been valued in accordance with the provisions of the Insurance Act, 1938 and the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002.

IFFCO-TOKIO

AUDITORS' REPORT (Contd.)

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

- (d) The said financial statements read together with the Notes thereon are prepared in accordance with the requirements of the Insurance Act 1938, the Insurance Regulatory and Development Act, 1999, Insurance Regulatory And Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the Companies Act 1956, to the extent applicable and in the manner so required, give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies:
- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - ii. in the case of the Revenue accounts, of the deficit for the year ended March 31, 2011;
 - iii. in the case of the Profit and Loss account, of the Loss of the Company for the year ended March 31, 2011; and
 - iv. in the case of the Receipts and Payments account, of the Receipts and Payments of the Company for the year ended March 31, 2011.
5. Further, on the basis of our examination of books & records of the Company and according to the information and explanations given to us and to the best of our knowledge and belief, we certify that:
- (a) We have reviewed the management report attached to the financial statements for the year ended March 31, 2011 and there are no apparent mistakes or material inconsistency with the financial statements; and
 - (b) Based on the information and explanations received during the course of our audit, management representations and subject to Note B-III-2 of Schedule 16 forming part of the Financial Statements in relation to maintenance of Solvency Ratio, 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 G.S.Mathur & Co.
Chartered Accountants
FRN 008744N

for Raghu Nath Rai & CO
Chartered Accountants
FRN 000451N

Ajay Mathur
Partner
Membership No 82223

Samir Jain
Partner
Membership No. 77010

New Delhi
Dated : 16th May, 2011

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, 2011, we certify that:

- (a) We have verified the cash balances and investments of the Company with the dematerialized statement/confirmations received from the custodians as at March 31, 2011, 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 G.S.Mathur & Co.
Chartered Accountants
FRN 008744N

for Raghu Nath Rai & Co.
Chartered Accountants
FRN 000451N

Ajay Mathur
Partner
Membership No 82223

Samir Jain
Partner
Membership No. 77010

New Delhi
Dated:16th May, 2011

IFFCO-TOKIO

Decade of Dedication

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IFFCO - TOKIO

2000-2010

ACCOUNTS

BALANCE SHEET AS AT 31st MARCH 2011

(Rs in '000)

SI. No.	PARTICULARS	SCHEDULE		As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)		(4)	(5)
	SOURCES OF FUNDS				
	SHARE CAPITAL	5		2,470,000	2,470,000
	RESERVES AND SURPLUS	6		1,946,477	2,273,191
	FAIR VALUE CHANGE ACCOUNT			130	-
	BORROWINGS	7		-	-
	TOTAL			4,416,607	4,743,191
	APPLICATION OF FUNDS				
	INVESTMENTS	8		12,378,935	8,148,246
	LOANS	9		-	-
	FIXED ASSETS	10		237,174	151,582
	CURRENT ASSETS :				
	Cash and Bank Balances	11	5,853,544		4,796,341
	Advances and Other Assets	12	3,029,039		5,373,588
	Sub-Total (A)		8,882,583		10,169,929
	CURRENT LIABILITIES				
	PROVISIONS	13	10,992,450		8,550,701
		14	6,336,835		5,251,665
	Sub-Total (B)		17,329,285		13,802,366
	NET CURRENT ASSETS (C) = (A-B)			(8,446,702)	(3,632,437)
	DEFERRED TAX ASSET (NET)			247,200	75,800
	MISCELLANEOUS EXPENDITURE				
	(To the extent not written off or adjusted) Debit Balance in Profit and Loss Account	15		-	-
	TOTAL			4,416,607	4,743,191

CONTINGENT LIABILITIES

(Rs in '000)

SI. No.	PARTICULARS		As at 31st March, 2011	As at 31st March, 2010
(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)		8,179	6,786
4	Guarantees given by or on behalf of the Company		-	-
5	Statutory demands/liabilities in dispute, not provided for		6,780	-
6	Reinsurance obligations to the extent not provided for in the accounts		-	-
7	Others		-	-
	Total		14,959	6,786

Notes to Accounts

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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

G.S. Mathur & Co.
Chartered Accountants
Firm Regn. No. 008744N

Ajay Mathur
Partner
M.No. 82223

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

Samir Jain
Partner
M.No. 77010

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 16th May, 2011

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

(Rs in '000)

S.No	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	503,530	468,372
2	Profit / Loss on sale / redemption of Investments		1,442	1,185
3	Others :			
	Handling Charges		(405)	(430)
	Exchange Gain / (Loss)		(5,394)	(23,077)
4	Interest, Dividend & Rent-Gross		57,991	59,491
	TOTAL (A)		557,164	505,541
1	Claims Incurred (Net)	2	485,340	438,274
2	Commission	3	(90,592)	(104,739)
3	Operating expenses related to Insurance Business	4	335,839	293,067
	TOTAL (B)		730,587	626,602
	Operating Profit /(Loss) from Fire Business C=(A-B)		(173,423)	(121,061)
	APPROPRIATIONS			
	Transfer to Shareholders' Account		(173,423)	(121,061)
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves (to be specified)			
	TOTAL (C)		(173,423)	(121,061)

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.

As per our Report of even date attached.

for and on behalf of Board of Directors

G.S. Mathur & Co.
Chartered Accountants
Firm Regn. No. 008744N

Ajay Mathur
Partner
M.No. 82223

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

Samir Jain
Partner
M.No. 77010

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 16th May, 2011

MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

(Rs in '000)

S.No	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	388,235	396,856
2	Profit / Loss on sale / redemption of Investments		1,416	1,165
3	Others:			
	Handling Charges		789	(345)
	Exchange Gain / (Loss)		1,284	27,454
4	Interest, Dividend & Rent-Gross		56,928	58,495
	TOTAL (A)		448,652	483,625
1	Claims Incurred (Net)	2	384,065	408,488
2	Commission	3	(44,216)	(32,386)
3	Operating expenses related to Insurance Business	4	228,527	226,041
	TOTAL (B)		568,376	602,143
	Operating Profit / (Loss) from Marine Business C = (A-B)		(119,724)	(118,518)
	APPROPRIATIONS			
	Transfer to Shareholders' Account		(119,724)	(118,518)
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves (to be specified)			
	TOTAL (C)		(119,724)	(118,518)

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.

As per our Report of even date attached.

for and on behalf of Board of Directors

G.S. Mathur & Co.
Chartered Accountants
Firm Regn. No. 008744N

Ajay Mathur
Partner
M.No. 82223

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

Samir Jain
Partner
M.No. 77010

K. Srinivasa Gowda
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S. Narayanan
Managing Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 16th May, 2011

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

(Rs in '000)

S.No	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	10,459,262	8,357,013
2	Profit / Loss on sale / redemption of Investments		25,297	18,484
3	Others:			
	Handling Charges		(2,622)	(2,881)
	Exchange Gain / (Loss)		677	(4,516)
	Transfer & Duplicate Fee		1,249	995
4	Interest, Dividend & Rent-Gross		1,017,335	927,715
	TOTAL (A)		11,501,198	9,296,810
1	Claims Incurred (Net)	2	9,035,244	6,479,922
2	Commission	3	285,876	388,986
3	Operating expenses related to Insurance Business	4	2,622,075	1,973,610
	TOTAL (B)		11,943,195	8,842,518
	Operating Profit / (Loss) from Miscellaneous Business C = (A-B)		(441,997)	454,292
	APPROPRIATIONS			
	Transfer to Shareholders' Account		(441,997)	454,292
	Transfer to Catastrophe Reserve			
	Transfer to Other Reserves (to be specified)			
	TOTAL (C)		(441,997)	454,292

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.

for and on behalf of Board of Directors

As per our Report of even date attached.

G.S. Mathur & Co.
Chartered Accountants
Firm Regn. No. 008744N

Ajay Mathur
Partner
M.No. 82223

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

Samir Jain
Partner
M.No. 77010

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 16th May, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

(Rs in '000)

S.No	PARTICULARS	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	OPERATING PROFIT / (LOSS)			
	(a) Fire Insurance		(173,423)	(121,061)
	(b) Marine Insurance		(119,724)	(118,518)
	(c) Miscellaneous Insurance		(441,997)	454,292
			(735,144)	214,713
2	INCOME FROM INVESTMENTS			
	(a) Interest, Dividend & Rent-Gross		221,591	130,007
	(b) Profit on sale of Investments		5,510	2,590
	Less : Loss on Sale of Investments		-	-
			227,101	132,597
3	OTHERS			
	Miscellaneous Income		19,583	43,699
	TOTAL (A)		(488,460)	391,009
4	PROVISIONS (Other than taxation)			
	(a) For diminution in the value of investments		-	-
	(b) For doubtful debts		-	-
	(c) Others (to be specified)		-	-
5	OTHER EXPENSES			
	(a) Expenses other than those related to Insurance business		4,982	4,889
	(b) Bad Debts written off		-	-
	(c) Loss on Sale/Scrap of Fixed Assets		234	13
	TOTAL (B)		5,216	4,902
	Profit Before Tax		(493,676)	386,107
	Less : Provision for Taxation			
	Current Tax		-	141,600
	Deferred Tax		(166,170)	(10,700)
	Wealth Tax		515	-
	Credit for MAT Entitlement		-	-
	Less : Short / Excess provision for tax for earlier years written back			
	Current Tax		4,209	7,789
	Deferred Tax		(5,230)	(6,400)
	Profit After Tax		(327,000)	253,818
	Balance of Profit brought forward from Last Year		730,025	562,901
	Balance available for appropriation		403,025	816,719
	APPROPRIATIONS			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed Final Dividend		-	74,100
	(c) Dividend distribution tax		(286)	12,594
	(d) Transfer to any Reserves or Other Accounts		-	-
	Balance carried forward to Balance sheet		403,311	730,025
	Basic & Diluted Earnings per Share			
	(Equity Shares of Face Value of Rs 10 each)		(1.32)	1.03

Notes to Accounts

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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

G.S. Mathur & Co.
Chartered Accountants
Firm Regn. No. 008744N

Ajay Mathur
Partner
M.No. 82223

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

Samir Jain
Partner
M.No. 77010

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 16th May, 2011

ANNUAL REPORT 2010-11

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

(Rs in '000)

	Current Year		Previous Year	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Premium received from policyholders, including advance receipts	19,978,828		16,529,258	
Other receipts	19,583		43,699	
Receipts from the re-insurers, net of commissions and claims	477,986		(2,932,561)	
Payments to co-insurers, net of claims recovery	(274,685)		(78,727)	
Payments of claims	(9,956,549)		(8,526,354)	
Payments of commission and brokerage	(970,606)		(962,881)	
Payments of other operating expenses	(3,813,989)		(2,645,468)	
Preliminary and pre-operative expenses	-		-	
Deposits, advances and staff loans	(73,154)		23,319	
Income taxes paid (Net)	(140,912)		(81,109)	
Service tax paid	(902,323)		(395,597)	
Other payments	-		-	
Cash Flows before extraordinary items	4,344,179		973,579	
Cash Flow from extraordinary operations	-		-	
Net Cash Flow from operating activities		4,344,179		973,579
CASH FLOW FROMS INVESTING ACTIVITIES:				
Purchase of fixed assets	(160,754)		(88,255)	
Proceeds from sale of fixed assets	5,076		435	
Purchases of investments	(40,515,236)		(14,819,460)	
Loans disbursed	-		-	
Sales of investments	36,296,095		13,680,000	
Repayments received	-		-	
Rents/Interests/Dividends received	1,179,233		1,200,543	
Investments in money market instruments and in liquid mutual funds (Net)	-		-	
Expenses related to investments	(4,982)		(4,889)	
Net Cash Flow from investing activities		(3,200,568)		(31,626)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of share capital	-		-	
Proceeds from borrowing	-		-	
Repayments of borrowing	-		-	
Interest/dividends paid	(86,408)		-	
Net Cash Flow from financing activities		(86,408)		-
Effect of foreign exchange rates on cash and cash equivalents, net		-		-
Net Increase /(Decrease) in Cash & Cash equivalents		1,057,203		941,953
Cash equivalents at beginning of Year		4,796,341		3,854,388
Cash equivalents at end of Year		5,853,544		4,796,341

for and on behalf of Board of Directors

As per our Report of even date attached.

G.S. Mathur & Co.
Chartered Accountants
Firm Regn. No. 008744N

Ajay Mathur
Partner
M.No. 82223

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

Samir Jain
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M.No. 77010

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 16th May, 2011

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1

PREMIUM EARNED (NET)

(Rs in '000)

Particulars	CURRENT YEAR				PREVIOUS YEAR			
	FIRE	* MARINE	** MISCELLANEOUS	Total	FIRE	MARINE	MISCELLANEOUS	Total
Premium from direct business written	1,880,504	1,279,783	14,671,480	17,831,767	1,716,157	1,324,093	11,538,105	14,578,355
Add : Premium on reinsurance accepted	344,336	20,170	1,692,396	2,056,902	307,655	27,140	1,482,486	1,817,281
	2,224,840	1,299,953	16,363,876	19,888,669	2,023,812	1,351,233	13,020,591	16,395,636
Less : Premium on reinsurance ceded	1,684,194	922,818	4,758,766	7,365,778	1,557,999	969,741	3,959,600	6,487,340
Net Premium	540,646	377,135	11,605,110	12,522,891	465,813	381,492	9,060,991	9,908,296
Adjustments for changes in Reserve for Unexpired Risks	37,116	(11,100)	1,145,848	1,171,864	(2,559)	(15,364)	703,978	686,055
Total Premium Earned (Net)	503,530	388,235	10,459,262	11,351,027	468,372	396,856	8,357,013	9,222,241

* 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)

(Rs in '000)

Particulars	CURRENT YEAR			PREVIOUS YEAR		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Premium from direct business written	830,323	449,460	1,279,783	698,412	625,681	1,324,093
Add : Premium on reinsurance accepted	17,676	2,494	20,170	7,007	20,133	27,140
	847,999	451,954	1,299,953	705,419	645,814	1,351,233
Less : Premium on reinsurance ceded	507,120	415,698	922,818	373,845	595,896	969,741
Net Premium	340,879	36,256	377,135	331,574	49,918	381,492
Adjustments for changes in Reserve for Unexpired Risks	2,563	(13,663)	(11,100)	(30,995)	15,631	(15,364)
Total Premium Earned (Net)	338,316	49,919	388,235	362,569	34,287	396,856

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

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

(Rs in '000)

Particulars	Current Year								
	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	9,611,128	612,883	216,935	129,343	280,249	99,927	1,792,137	1,928,878	14,671,480
Add : Premium on reinsurance accepted	1,379,335	58,585	245,151	2,485	3,034	1,089	-	2,717	1,692,396
	10,990,463	671,468	462,086	131,828	283,283	101,016	1,792,137	1,931,595	16,363,876
Less : Premium on reinsurance ceded	2,025,571	457,379	262,207	12,999	104,080	54,863	381,857	1,459,810	4,758,766
Net Premium	8,964,892	214,089	199,879	118,829	179,203	46,153	1,410,280	471,785	11,605,110
Adjustments for changes in Reserve for Unexpired Risks	1,124,610	1,895	14,360	19,848	32,891	4,582	(53,539)	1,201	1,145,848
Total Premium Earned (Net)	7,840,282	212,194	185,519	98,981	146,312	41,571	1,463,819	470,584	10,459,262

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

(Rs in '000)

Particulars	Previous Year								
	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	7,306,658	879,129	182,250	94,535	205,970	55,568	1,642,160	1,171,835	11,538,105
Add : Premium on reinsurance accepted	1,183,515	56,582	236,880	-	72	665	-	4,772	1,482,486
	8,490,173	935,711	419,130	94,535	206,042	56,233	1,642,160	1,176,607	13,020,591
Less : Premium on reinsurance ceded	1,640,332	722,588	260,569	18,882	74,331	26,434	387,587	828,877	3,959,600
Net Premium	6,849,841	213,123	158,561	75,653	131,711	29,799	1,254,573	347,730	9,060,991
Adjustments for changes in Reserve for Unexpired Risks	725,323	(7,270)	6,592	(2,372)	(3,952)	(2,611)	19,524	(31,256)	703,978
Total Premium Earned (Net)	6,124,518	220,393	151,969	78,025	135,663	32,410	1,235,049	378,986	8,357,013

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 2

CLAIMS INCURRED (NET)

(Rs in '000)

Particulars	CURRENT YEAR				PREVIOUS YEAR			
	FIRE	* MARINE	** MISCELLANEOUS	Total	FIRE	MARINE	MISCELLANEOUS	Total
Claims Paid								
Direct	1,236,998	729,166	7,479,780	9,445,944	1,274,609	565,281	6,146,846	7,986,736
Add: Reinsurance accepted	187,676	36,310	861,589	1,085,575	63,495	12,164	422,329	497,988
Less: Reinsurance ceded	1,011,979	437,081	2,054,475	3,503,535	936,143	250,974	1,691,969	2,879,086
Net Claims Paid	412,695	328,395	6,286,894	7,027,984	401,961	326,471	4,877,206	5,605,638
Add: Claims Outstanding at the end of the year	346,117	429,637	9,177,004	9,952,758	273,472	373,967	6,428,654	7,076,093
Less: Claims Outstanding at the beginning of the year	273,472	373,967	6,428,654	7,076,093	237,159	291,950	4,825,938	5,355,047
Total Claims Incurred	485,340	384,065	9,035,244	9,904,649	438,274	408,488	6,479,922	7,326,684

* 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)

(Rs in '000)

Particulars	CURRENT YEAR			PREVIOUS YEAR		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Claims Paid						
Direct	553,412	175,754	729,166	533,448	31,833	565,281
Add: Reinsurance accepted	4,013	32,297	36,310	1,219	10,945	12,164
Less: Reinsurance ceded	266,139	170,942	437,081	226,021	24,953	250,974
Net Claims Paid	291,286	37,109	328,395	308,646	17,825	326,471
Add: Claims Outstanding at the end of the year	329,398	100,239	429,637	292,532	81,435	373,967
Less: Claims Outstanding at the beginning of the year	292,532	81,435	373,967	264,055	27,895	291,950
Total Claims Incurred	328,152	55,913	384,065	337,123	71,365	408,488

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

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

(Rs in '000)

Particulars	Current Year								
	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Claims Paid									
Direct	4,697,513	337,946	29,665	20,087	151,257	9,812	1,838,153	395,347	7,479,780
Add: Reinsurance accepted	728,469	3,973	126,672	18	-	452	-	2,005	861,589
Less: Reinsurance ceded	1,080,153	234,016	67,969	3,704	43,220	6,313	351,029	268,071	2,054,475
Net Claims Paid	4,345,829	107,903	88,368	16,401	108,037	3,951	1,487,124	129,281	6,286,894
Add: Claims Outstanding at the end of the year	7,874,112	277,086	102,931	56,483	100,498	59,658	464,239	241,997	9,177,004
Less: Claims Outstanding at the beginning of the year	5,339,419	258,633	30,128	45,737	93,132	42,782	444,897	173,926	6,428,654
Total Claims Incurred	6,880,522	126,356	161,171	27,147	115,403	20,827	1,506,466	197,352	9,035,244

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

(Rs in '000)

Particulars	Previous Year								
	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Claims Paid									
Direct	3,571,195	385,859	4,122	22,669	168,681	11,033	1,550,020	433,267	6,146,846
Add: Reinsurance accepted	321,361	1,573	99,292	-	-	-	-	103	422,329
Less: Reinsurance ceded	779,558	287,301	15,183	4,322	52,044	5,874	284,607	263,080	1,691,969
Net Claims Paid	3,112,998	100,131	88,231	18,347	116,637	5,159	1,265,413	170,290	4,877,206
Add: Claims Outstanding at the end of the year	5,339,419	258,633	30,128	45,737	93,132	42,782	444,897	173,926	6,428,654
Less: Claims Outstanding at the beginning of the year	3,909,648	215,498	26,319	27,009	75,630	35,311	360,372	176,151	4,825,938
Total Claims Incurred	4,542,769	143,266	92,040	37,075	134,139	12,630	1,349,938	168,065	6,479,922

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 3

COMMISSION

(Rs in '000)

Particulars	CURRENT YEAR				PREVIOUS YEAR			
	FIRE	* MARINE	** MISCELLANEOUS	Total	FIRE	MARINE	MISCELLANEOUS	Total
Commission Paid								
Direct	83,403	69,551	761,238	914,192	93,055	69,286	698,694	861,035
Total (A)	83,403	69,551	761,238	914,192	93,055	69,286	698,694	861,035
Add : Re-insurance Accepted	38,158	3,965	84,201	126,324	41,729	4,630	190,869	237,228
Less : Commission on Reinsurance ceded	212,153	117,732	559,563	889,448	239,523	106,302	500,577	846,402
Net Commission	(90,592)	(44,216)	285,876	151,068	(104,739)	(32,386)	388,986	251,861

Breakup of the expenses incurred to procure business:

Agents	37,276	31,843	461,425	530,544	28,656	26,573	375,112	430,341
Brokers	34,028	33,091	188,599	255,718	33,737	37,257	152,598	223,592
Corporate Agency	8,749	4,610	99,960	113,319	24,530	5,452	154,242	184,224
Referral	3,350	7	11,254	14,611	6,132	4	16,742	22,878
Others	-	-	-	-	-	-	-	-
TOTAL (B)	83,403	69,551	761,238	914,192	93,055	69,286	698,694	861,035

* 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

(Rs in '000)

Particulars	CURRENT YEAR			PREVIOUS YEAR		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Commission Paid						
Direct	58,591	10,960	69,551	52,093	17,193	69,286
TOTAL (A)	58,591	10,960	69,551	52,093	17,193	69,286
Add : Re-insurance Accepted	3,356	609	3,965	589	4,041	4,630
Less : Commission on Re-insurance ceded	86,301	31,431	117,732	55,244	51,058	106,302
Net Commission	(24,354)	(19,862)	(44,216)	(2,562)	(29,824)	(32,386)

Breakup of the expenses (Gross) incurred to procure business :

Agents	24,224	7,619	31,843	21,007	5,566	26,573
Brokers	30,369	2,722	33,091	26,732	10,525	37,257
Corporate Agency	3,991	619	4,610	4,350	1,102	5,452
Referral	7	-	7	4	-	4
Others	-	-	-	-	-	-
TOTAL (B)	58,591	10,960	69,551	52,093	17,193	69,286

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 3B
COMMISSION

(Rs in '000)

Particulars	Current Year								
	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Commission Paid									
Direct	489,814	36,630	4,216	11,871	13,542	8,581	83,625	112,959	761,238
Total (A)	489,814	36,630	4,216	11,871	13,542	8,581	83,625	112,959	761,238
Add : Re-insurance Accepted	27,131	5,882	50,182	493	22	201	-	290	84,201
Less : Commission on Re-insurance ceded	193,014	94,919	8,240	1,957	21,211	6,115	44,275	189,832	559,563
Net Commission	323,931	(52,407)	46,158	10,407	(7,647)	2,667	39,350	(76,583)	285,876
Breakup of the expenses (Gross) incurred to procure business:									
Agents	346,230	14,038	158	8,635	5,197	6,309	36,047	44,811	461,425
Brokers	74,085	18,550	4,058	2,067	4,398	1,761	40,003	43,677	188,599
Corporate Agency	67,355	3,944	-	1,156	1,830	510	6,721	18,444	99,960
Referral	2,144	98	-	13	2,117	1	854	6,027	11,254
Others	-	-	-	-	-	-	-	-	-
TOTAL (B)	489,814	36,630	4,216	11,871	13,542	8,581	83,625	112,959	761,238

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 3B
COMMISSION

(Rs in '000)

Particulars	Previous Year								
	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Commission Paid									
Direct	441,531	42,049	2,095	9,174	12,206	4,630	83,028	103,981	698,694
Total (A)	441,531	42,049	2,095	9,174	12,206	4,630	83,028	103,981	698,694
Add : Re-insurance Accepted	135,030	6,917	47,882	-	16	166	-	858	190,869
Less : Commission on Re-insurance ceded	217,615	116,935	5,631	3,775	11,103	2,960	48,790	93,768	500,577
Net Commission	358,946	(67,969)	44,346	5,399	1,119	1,836	34,238	11,071	388,986
Breakup of the expenses (Gross) incurred to procure business:									
Agents	279,263	12,221	-	7,454	5,804	2,333	31,399	36,638	375,112
Brokers	51,475	19,233	1,847	1,518	3,937	1,832	30,792	41,964	152,598
Corporate Agency	106,846	10,522	248	147	1,054	422	20,458	14,545	154,242
Referral	3,947	73	-	55	1,411	43	379	10,834	16,742
Others	-	-	-	-	-	-	-	-	-
TOTAL (B)	441,531	42,049	2,095	9,174	12,206	4,630	83,028	103,981	698,694

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 4

OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

(Rs in '000)

Particulars	CURRENT YEAR				PREVIOUS YEAR			
	FIRE	* MARINE	** MISCELLANEOUS	Total	FIRE	MARINE	MISCELLANEOUS	Total
1 Employees remuneration and welfare benefits	66,425	45,206	518,240	629,871	55,247	42,625	371,437	469,309
2 Travel, Conveyance and vehicle running expenses	13,817	9,403	107,799	131,019	11,772	9,083	79,145	100,000
3 Training expenses	831	565	6,481	7,877	822	634	5,526	6,982
4 Rent, rates and taxes	17,059	11,610	133,092	161,761	16,309	12,583	109,650	138,542
5 Repairs	6,383	4,344	49,796	60,523	7,832	6,043	52,657	66,532
6 Printing and Stationery	5,347	3,639	41,719	50,705	5,899	4,552	39,662	50,113
7 Communication	7,262	4,943	56,661	68,866	7,111	5,486	47,807	60,404
8 Legal and professional charges	165,234	112,451	1,289,141	1,566,826	139,013	107,255	934,616	1,180,884
9 Auditor's fees, expenses etc.								
(a) As Auditor	264	179	2,057	2,500	212	163	1,425	1,800
(b) As advisor or in any other capacity in respect of								
(i) Taxation matters	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-
(iii) Management services	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	-	-	-	-
10 Advertisement and publicity	9,382	6,385	73,195	88,962	13,438	10,369	90,352	114,159
11 Interest and Bank charges	4,529	3,082	35,336	42,947	3,634	2,803	24,429	30,866
12 Others:								
Policy Stamps	43	-	2,234	2,277	95	-	3896	3,991
Information & Technology Expenses	3,737	2,543	29,158	35,438	7,558	5,831	50,813	64,202
Electricity & Water Charges	3,338	2,272	26,042	31,652	3,341	2,578	22,461	28,380
Courtesies & Entertainment	2,311	1,572	18,027	21,910	2,017	1,556	13,559	17,132
Others	22,619	15,393	176,467	214,479	10,786	8,322	72,517	91,625
13 Depreciation	7,258	4,940	56,630	68,828	7,981	6,158	53,658	67,797
TOTAL	335,839	228,527	2,622,075	3,186,441	293,067	226,041	1,973,610	2,492,718

* 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

(Rs in '000)

Particulars	CURRENT YEAR			PREVIOUS YEAR		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
1. Employees remuneration and welfare benefits	29,330	15,876	45,206	22,483	20,142	42,625
2. Travel, Conveyance and vehicle running expenses	6,101	3,302	9,403	4,791	4,292	9,083
3. Training expenses	367	198	565	334	300	634
4. Rent, rates and taxes	7,533	4,077	11,610	6,637	5,946	12,583
5. Repairs	2,818	1,526	4,344	3,187	2,856	6,043
6. Printing and Stationery	2,361	1,278	3,639	2,401	2,151	4,552
7. Communication	3,207	1,736	4,943	2,894	2,592	5,486
8. Legal and professional charges	72,958	39,493	112,451	56,573	50,682	107,255
9. Auditor's fees, expenses etc.						
(a) As Auditor	116	63	179	86	77	163
(b) As advisor or in any other capacity in respect of						
Taxation matters	-	-	-	-	-	-
(c) In any other capacity	-	-	-	-	-	-
10. Advertisement and publicity	4,143	2,242	6,385	5,469	4,900	10,369
11. Interest and Bank charges	2,000	1,082	3,082	1,478	1,325	2,803
12. Others:						
Policy Stamps	-	-	-	-	-	-
Information & Technology Expenses	1,650	893	2,543	3,076	2,755	5,831
Electricity & Water Charges	1,474	798	2,272	1,360	1,218	2,578
Courtesies & Entertainment	1,020	552	1,572	821	735	1,556
Others	9,987	5,406	15,393	4,390	3,932	8,322
13. Depreciation	3,205	1,735	4,940	3,248	2,910	6,158
Total	148,270	80,257	228,527	119,228	106,813	226,041

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

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

(Rs in '000)

Particulars	Current Year								
	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1 Employees remuneration and welfare benefits	339,493	21,649	7,663	4,569	9,899	3,530	63,304	68,133	518,240
2 Travel, Conveyance and vehicle running expenses	70,618	4,503	1,594	950	2,059	734	13,168	14,173	107,799
3 Training expenses	4,246	271	96	57	124	44	792	851	6,481
4 Rent, rates and taxes	87,187	5,560	1,968	1,173	2,542	906	16,257	17,499	133,092
5 Repairs	32,621	2,080	736	439	951	339	6,083	6,547	49,796
6 Printing and Stationery	27,330	1,743	617	368	797	284	5,096	5,484	41,719
7 Communication	37,118	2,367	838	500	1,082	386	6,921	7,449	56,661
8 Legal and professional charges	844,502	53,852	19,061	11,365	24,625	8,780	157,470	169,486	1,289,141
9 Auditor's fees, expenses etc.									
(a) As Auditor	1,348	88	30	18	39	14	251	269	2,057
(b) As advisor or in any other capacity in respect of Taxation matters	-	-	-	-	-	-	-	-	-
(c) In any other capacity	-	-	-	-	-	-	-	-	-
10 Advertisement and publicity	47,949	3,058	1,082	645	1,398	499	8,941	9,623	73,195
11 Interest and Bank charges	23,148	1,476	522	312	675	241	4,317	4,645	35,336
12 Others:									
Policy Stamps	1,833	3	-	67	26	15	37	253	2,234
Information & Technology Expenses	19,101	1,218	431	257	557	199	3,562	3,833	29,158
Electricity & Water Charges	17,060	1,088	385	230	497	177	3,181	3,424	26,042
Courtesies & Entertainment	11,809	753	267	159	344	123	2,202	2,370	18,027
Others	115,602	7,372	2,609	1,556	3,371	1,202	21,555	23,200	176,467
13 Depreciation	37,098	2,366	837	499	1,082	386	6,917	7,445	56,630
TOTAL	1,718,063	109,447	38,736	23,164	50,068	17,859	320,054	344,684	2,622,075

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

(Rs in '000)

Particulars	Previous Year								
	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1 Employees remuneration and welfare benefits	235,217	28,301	5,867	3,043	6,631	1,789	52,865	37,724	371,437
2 Travel, Conveyance and vehicle running expenses	50,120	6,030	1,250	648	1,413	381	11,265	8,038	79,145
3 Training expenses	3,499	421	87	45	99	27	786	562	5,526
4 Rent, rates and taxes	69,437	8,355	1,732	898	1,957	528	15,606	11,137	109,650
5 Repairs	33,346	4,012	832	431	940	254	7,494	5,348	52,657
6 Printing and Stationery	25,116	3,022	626	325	708	191	5,645	4,029	39,662
7 Communication	30,274	3,643	755	392	853	230	6,804	4,856	47,807
8 Legal and professional charges	591,858	71,212	14,763	7,658	16,684	4,501	133,020	94,920	934,616
9 Auditor's fees, expenses etc.									
(a) As Auditor	902	109	23	12	25	7	203	144	1,425
(b) As advisor or in any other capacity in respect of Taxation matters	-	-	-	-	-	-	-	-	-
(c) In any other capacity	-	-	-	-	-	-	-	-	-
10 Advertisement and publicity	57,217	6,884	1,427	740	1,613	435	12,859	9,177	90,352
11 Interest and Bank charges	15,470	1,861	386	200	436	118	3,477	2,481	24,429
12 Others:									
Policy Stamps	2,467	297	62	32	70	19	555	394	3,896
Information & Technology Expenses	32,178	3,872	803	416	907	245	7,232	5,160	50,813
Electricity & Water Charges	14,224	1,711	355	184	401	108	3,196	2,282	22,461
Courtesies & Entertainment	8,586	1,033	214	111	242	65	1,929	1,379	13,559
Others	45,922	5,525	1,145	594	1,295	349	10,321	7,366	72,517
13 Depreciation	33,980	4,088	848	440	958	258	7,637	5,449	53,658
TOTAL	1,249,813	150,376	31,175	16,169	35,232	9,505	280,894	200,446	1,973,610

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 5

SHARE CAPITAL

(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)	(4)
1	Authorised Capital 400000000 Equity Shares of Rs 10 each	4,000,000	4,000,000
2	Issued Capital 247000000 Equity Shares of Rs 10 each	2,470,000	2,470,000
3	Subscribed Capital 247000000 Equity Shares of Rs 10 each	2,470,000	2,470,000
4	Called up Capital 247000000 Equity Shares of Rs 10 each	2,470,000	2,470,000
	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	2,470,000	2,470,000

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 5A

SHARE CAPITAL

PATTERN OF SHAREHOLDING

(As certified by the Management)

	As at 31st March, 2011		As at 31st March, 2010	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
Indian	182780000	74	182780000	74
Foreign	64220000	26	64220000	26
Others	-	-	-	-
TOTAL	247000000	100	247000000	100

SCHEDULE - 6

RESERVES AND SURPLUS

(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)	(4)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium:		
	Opening Balance	1,542,000	1,542,000
	Additions during the year	-	-
	Closing Balance	1,542,000	1,542,000
4	General Reserve	-	-
	Less: Debit balance in Profit and Loss Account	-	-
	Less: Amount utilized for Buy Back	-	-
5	Catastrophe Reserve	1,166	1,166
6	Other Reserves (to be specified)	-	-
7	Balance of Profit in Profit & Loss account	403,311	730,025
	TOTAL	1,946,477	2,273,191

SCHEDULE - 7

BORROWINGS

(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)	(4)
1	Debentures/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	TOTAL	-	-

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 8
INVESTMENTS
(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)	(4)
	LONG TERM INVESTMENTS		
1	Govt Securities and Govt guaranteed Bonds incl Treasury Bills	5,898,363	3,807,165
2	Other Approved Securities	-	-
3	Other Investments		
	(a) Shares		
	(aa)Equity	-	-
	(bb)Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debenturs/Bonds (Housing)	1,539,256	951,350
	(e) Other Securities		
	(aa) Non convertible Debentures	556,346	802,366
	(f) Subsidiaries	5,000	5,000
	(g) Investment Properties - Real Estate		
4	Investment in Infrastructure and Social Sector	3,219,096	1,804,171
5	Other than approved investments	-	-
	SHORT TERM INVESTMENTS		
1	Govt Securities, Govt guaranteed Bonds incl Treasury Bills	165,742	318,602
2	Other Approved Securities	-	-
3	Other Investments		
	(a) Shares		
	(aa)Equity	-	-
	(bb)Preference	-	-
	(b) Mutual Funds	250,130	-
	(c) Derivative Instruments	-	-
	(d) Debenturs/Bonds (Housing)	310,000	334,565
	(e) Other Securities		
	(aa) Non convertible Debentures	250,000	
	(f) Subsidiaries	-	-
	(g) Investment Properties - Real Estate	-	-
4	Investment in Infrastructure and Social Sector	185,002	125,027
5	Other than approved investments	-	-
	TOTAL	12,378,935	8,148,246

Note: Aggregate amount of company's investment other than listed equity securities and derivative instruments is Rs 12,378,935 thousand (Previous year Rs 8,148,245 thousand)

Market value of such investments as at 31.03.2011 is Rs. 12,234,497 thousand (Previous year Rs 8,167,205 thousand)

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 9

LOANS

(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(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, etc.	-	-
	(c) others	-	-
	Unsecured	-	-
	Total	-	-
2	Borrowerwise 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	Maturity wise Classification		
	(a) Short Term	-	-
	(b) Long Term	-	-
	TOTAL	-	-

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

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

(Rs in '000)

Particulars	Gross Block			Depreciation			Net Block			
	As at 31st March, 2010	Additions during the year	Sales/ Adjustments during the year	As at 31st March 2011	Upto 31st March, 2010	For the year	On sales / adjustments	Upto 31st March 2011	As at 31st March 2011	As at 31st March, 2010
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles:										
Computer Software	87,863	13,230	-	101,093	87,755	2,863	-	90,618	10,475	108
Land - Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Property	-	-	-	-	-	-	-	-	-	-
Buildings	-	50,099	-	50,099	-	204	-	204	49,892	-
Furniture & Fittings	188,453	25,261	5,430	208,284	147,281	13,380	5,379	155,282	53,002	41,172
Information Technology Equipment	327,649	42,733	1,866	368,516	256,699	48,704	1,866	303,537	64,979	70,950
Vehicles	3,004	2,488	1,138	4,354	1,314	377	564	1,129	3,225	1,691
Office Equipment	44,411	12,943	132	57,222	11,344	3,300	41	14,603	42,619	33,067
Others	-	-	-	-	-	-	-	-	-	-
TOTAL	651,380	146,754	8,566	789,568	504,393	68,828	7,850	565,373	224,192	146,988
Work in Progress	4,594	12,982	4,594	12,982	-	-	-	-	12,982	4,594
Grand Total	655,974	159,736	13,160	802,550	504,393	68,828	7,850	565,373	237,174	151,582
Previous Year	570,473	87,222	1,721	655,974	437,868	67,797	1,273	504,392	151,582	132,605

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 11

CASH AND BANK BALANCES

(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)	(4)
1	Cash (including cheques, drafts and stamps)	8,335	113,522
2	Bank Balances		
	(a) Deposit Accounts	-	-
	(aa) Short term (due within 12 months)	5,231,000	4,646,570
	(bb) Others	570,000	-
	(b) Current Accounts	44,209	36,249
	(c) Others	-	-
3	Money at call & short notice		
	With Banks	-	-
	With Other Institutions	-	-
4	Others	-	-
	TOTAL	5,853,544	4,796,341
	Balances with non -scheduled banks included in 2 and 3 above	-	-

SCHEDULE - 12

ADVANCES AND OTHER ASSETS

(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)	(4)
	ADVANCES		
1	Reserve Deposit with ceding Companies	-	-
2	Application Money for Investments	-	-
3	Prepayments	160,207	192,999
4	Advance to Directors / Officers	-	-
5	Advance Tax Paid and Tax Deducted at source (Net of provision for taxation)	101,495	(34,693)
6	Deposit towards Rent	51,450	53,450
7	Service Tax Recoverable	2,386	18,266
8	Others	144,218	68,151
	TOTAL (A)	459,756	298,173
	OTHER ASSETS		
1	Income accrued on Investments / FDRs	582,168	385,311
2	Outstanding Premiums	371,502	321
3	Agents' balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from other entities carrying on insurance business (including reinsurers)	1,607,299	4,680,556
6	Due from Subsidiaries/holding	8,314	9,227
7	Deposit with Reserve Bank of India (Pursuant to section 7 of Insurance Act, 1938)	-	-
8	Others	-	-
	TOTAL (B)	2,569,283	5,075,415
	TOTAL (A+B)	3,029,039	5,373,588

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

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SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
SCHEDULE - 13
CURRENT LIABILITIES
(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)	(4)
1	Agents Balances	115,093	98,085
2	Balances due to other insurance companies (including reinsurers)	270,799	269,362
3	Deposits held on reinsurances ceded	-	-
4	Premiums received in advance	28,685	591,136
5	Unallocated Premium	-	-
6	Sundry Creditors	298,168	247,113
7	Due to subsidiaries/holding company	-	-
8	Claims outstanding	9,952,758	7,076,093
9	Due to Officers / Directors	-	-
10	Deposit Premium	160,529	123,493
11	Employee Benefits	73,554	50,978
12	Policy Holder Dues	92,864	94,441
	TOTAL	10,992,450	8,550,701

SCHEDULE - 14
PROVISIONS
(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(1)	(2)	(3)	(4)
1	Reserve for Unexpired Risk	6,336,835	5,164,971
2	For taxation (less advance tax paid and taxes deducted at source)	-	-
3	For Proposed Dividends	-	74,100
4	For Dividend Distribution Tax	-	12,594
5	Premium Deficiency	-	-
	TOTAL	6,336,835	5,251,665

SCHEDULE - 15
MISCELLANEOUS EXPENDITURE
(To the extent not written off or adjusted)
(Rs in '000)

SI No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
(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. Accounting Convention:

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, the Insurance Act, 1938, the Companies Act, 1956 and the applicable Accounting Standards issued by the Institute of Chartered Accountants of India 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 recognized in the period in which the results are known/materialized.

3. Revenue Recognition

3.1 Premium and cession thereof are recognized over the contract period or the period of the risk in respective revenue account following 1/365 method except in marine cargo business where premium is recognized after 60 days from the date of inception of the risk. In respect of reinsurance inward acceptances from the Indian Motor Third party Insurance Pool, the earned premium is recognized in accordance with the returns received from the Pool.

Reserve for unexpired risk representing premium attributable to the succeeding accounting period is maintained subject to minimum amount of reserve as required under section 64V (1) (ii) (b) of the Insurance Act, 1938 except for reinsurance premium acceptances in respect of Terrorism Pool for Fire and Engineering classes where the Reserve for Unexpired Risk is maintained at hundred percent of the net premium.

- 3.2 Any subsequent revision to the premium under the policies is accounted for in the year in which they arise.
- 3.3 Premium deficiency is recognized whenever expected claim costs, related expenses and maintenance costs exceeds related reserve for unexpired risks for each major class of business viz. Fire, Marine & Miscellaneous.
- 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 year in which the premium is ceded. Profit commission under reinsurance treaties, wherever applicable, is recognized on the determination of profit for the year.
- 3.6 Interest Income is recognized on accrual basis.
- 3.7 Dividend income is recognized 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 recognized, 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 realized 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, judgement 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 / advices, to the extent received, from the Reinsurers.
- 5.2 Liability in respect of claims incurred but not reported (IBNR) and inadequate reserves (IBNER) is provided for on actuarial basis as certified by the "Appointed Actuary".

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

6. Allocation of Operating Expenses

Operating expenses other than policy stamps are apportioned to respective revenue accounts on the basis of direct written 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 charged in the year 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 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 amortization 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) and the unrealized gains / losses are accounted in the 'Fair Value Change Account'.

(iii) 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.

10. Depreciation

10.1 Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except

(i) Fixtures in rented premises are depreciated proportionately over the residual lease period.

(ii) Information Technology Equipments are depreciated over their useful life of three years on straight line method.

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

11. Pre-Paid Expenses

Expenditure upto Rs. 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 value of assets and liabilities expressed in foreign currency are translated at the exchange rate prevailing at the end of the year.

Exchange Gain/Loss on conversion of foreign currency transactions is recognized as income/expense.

13. Taxation

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 certainty that the asset will be realized 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 in accordance with the scheme.

14.2 Liability for leave encashment is provided for on the basis of actuarial valuation.

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

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 recognized wherever the carrying amount of the asset exceeds its recoverable amount. Any such impairment loss is recognized by charging it to the profit and loss account. A previously recognized impairment loss is reversed where it no longer exists and the asset is restated to that effect.

16. Provisions

A provision, other than those relating to contract with policy holders, arising out of a present obligation is recognized when 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.

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 Rs 34,160 Thousand (Previous Year Rs 4,024 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:

(Rs in '000)

Class of Business	In India		Outside India	
	Year ended	Year ended	Year ended	Year ended
	31.3.2011	31.3.2010	31.3.2011	31.3.2010
Fire	308,818	391,921	103,877	10,040
Marine	307,400	323,418	20,995	3,053
Miscellaneous	6,207,148	4,826,281	79,746	50,925

4. Age-wise breakup of claims outstanding on Gross basis under various class of business as at 31st March, 2011 is as under:

(Rs in '000)

Class of Business	Outstanding for more than 6 months		Other Claims	
	As at	As at	As at	As at
	31.3.2011	31.3.2010	31.3.2011	31.3.2010
Fire	1,278,782	1,178,023	806,227	909,434
Marine	673,773	471,177	302,596	193,152
Miscellaneous	4,709,869	3,731,517	2,541,077	1,670,303

5. Claims settled and remaining unpaid for a period of more than six months as at 31st March, 2011 is Nil (Previous Year Nil).

6. (a) Premium less reinsurances written during the year under various classes of business is as under:

(Rs in '000)

Class of Business	In India		Outside India	
	Year ended 31.3.2011	Year ended 31.3.2010	Year ended 31.3.2011	Year ended 31.3.2010
Fire	483,518	378,388	57,128	87,425
Marine	369,957	363,717	7,178	17,775
Miscellaneous	11,439,829	8,927,940	165,281	133,051

- (b) No premium income is recognized on "varying risk pattern" basis.

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

(Rs in '000)

Class of Business	Risk Retained		Other Claims	
	Year ended 31.3.2011	Year ended 31.3.2010	Year ended 31.3.2011	Year ended 31.3.2010
Fire	24.30%	23.02%	75.70%	76.98%
Marine	29.01%	28.23%	70.99%	71.77%
Miscellaneous	70.92%	69.59%	29.08%	30.41%

- (d) There are no insurance contracts where the claim payment period exceeds 4 years.

7. All the investments held by the company as at 31st March, 2011 and 31st March, 2010 are performing investments.

8. Value of Contracts in relation to Investments for :

(Rs in '000)

	As at 31.3.2011	As at 31.3.2010
Purchases where deliveries are pending	Nil	Nil
Sales where payments are overdue	Nil	Nil

9. Details of investments made as per statutory requirements under Section 7 of Insurance Act, 1938 is as follows:

(Rs in '000)

Nature of Investment	As At 31.3.2011	As At 31.3.2010
Book Value	107,825	108,564
Market Value as on date of deposit of security	119,316	119,316

10. Sector wise business executed by the company is as follows:

	Year ended 31.3.2011	Year ended 31.3.2010
Urban areas	85.93%	88.29%
Rural areas	14.07%	11.71%
Social sector	1.82%	0.41%
Gross Premium	Rs. 324,120 thousand	Rs.59,344 thousand
Number of lives covered (Estimated)	1,882 thousand	1,462 thousand

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

(Rs in '000)

	Year ended 31.3.2011		Year ended 31.3.2010	
	Managing Director	Whole-time Directors	Managing Director	Whole-time Directors
Salaries and Allowances	5,997	6,521	3,561	5,315
Contribution to Provident Fund	253	251	238	230
Contribution to Gratuity Scheme	102	68	95	62
Total	6,352	6,840	3,894	5,607

The remuneration paid to Managing Director has been approved by IRDA.

12. Summary of Financial Statements

(Rs.in lacs)

Particulars	2010-11	2009-10	2008-09	2007-08	2006-07
OPERATING RESULTS					
Gross Premium written	198,886.69	163,956.36	151,552.19	123,583.42	115,220.68
Net Earned Premium					
Income	113,510.27	92,222.41	83,293.01	63,966.60	54,759.94
Premium Deficiency	-	-	-	100.00	-
Income from Investments	11,604.09	10,665.35	8,569.35	5,155.74	3,528.20
Other Income	12.49	9.95	6.62	6.94	6.70
Total Income	125,107.12	102,897.71	91,868.98	69,229.28	58,294.84
Commission	1,510.68	2,518.61	(322.56)	(395.19)	(4,152.43)
Operating expenses	31,921.12	24,965.13	23,972.78	20,131.05	20,473.07
Claims Increase in unexpired risk reserve and other outgoes	99,046.49	73,266.84	69,502.41	50,474.34	39,859.37
	132,478.31	100,750.58	93,152.64	70,210.20	56,180.01
Operating Profit/(Loss)	(7,371.19)	2,147.13	(1,283.64)	(980.92)	2,114.83
NON OPERATING RESULT					
Total Income under shareholders account	2,414.68	1,713.94	1,975.58	2,166.83	2,130.92
Profit /(Loss) before tax	(4,936.76)	3,861.07	691.94	1,185.91	4,245.75
Provision for tax	1,666.76	1,322.89	441.67	469.63	1,532.54
Profit /(Loss) after tax	(3,270.00)	2,538.18	250.27	716.28	2,713.21
MISCELLANEOUS					
Paid up Equity Capital	24,700.00	24,700.00	22,821.10	22,000.00	22,000.00
Net Worth	44,166.07	47,431.91	45,760.67	30,390.40	29,674.12
Total assets	214,986.92	185,044.48	158,938.70	117,651.37	89,605.86
Yield on total investments	8.02%	8.33%	8.92%	8.67%	7.93%
Earnings per share	-1.32	1.03	0.11	0.33	1.23
Book value per share	17.88	19.20	20.05	13.81	13.49
Total dividend	-	741.00	-	-	880.00
Dividend per share	-	0.30	-	-	0.40

13. Performance Ratios:-

Sl. No.	Particular	As on 31st March 2011 (in %)	As on 31st March 2010 (in %)
1	Gross Premium Growth Rate		
	FIRE	9.58	-12.12
	MARINE	-3.35	16.46
	MISCELLANEOUS	27.16	7.62
2	Gross Premium to shareholders' fund ratio	403.76	307.35
3	Growth rate of shareholders' fund	-6.89	3.65
4	Net Retention Ratio		
	FIRE	28.75	23.02
	MARINE	29.47	28.23
	MISCELLANEOUS	79.10	69.57
5	Net Commission Ratio		
	FIRE	4.44	5.42
	MARINE	5.43	5.23
	MISCELLANEOUS	5.19	6.06
6	Expense of Management to Gross Direct Premium Ratio	23.00	23.01
7	Combined Ratio	75.97	77.79
8	Technical Reserves to net premium ratio	130.08	123.54
9	Underwriting balance ratio	-15.10	-8.57
	FIRE	-42.00	-33.97
	MARINE	-47.77	-53.81
	MISCELLANEOUS	-12.79	-5.36
10	Operating Profit Ratio	-4.06	3.48
11	Liquid Assets to liabilities ratio	40.39	0.04
12	Net earning ratio	-2.61	2.56
13	return on net worth ratio	-7.40	5.35
14	Available Solvency Margin Ratio to Required Solvency Margin Ratio	1.23 *	1.76
15	NPA Ratio		
	Gross NPA Ratio	-	-
	Net NPA Ratio	-	-

Equity Holding Pattern for Non-Life Insurers

1	No. of shares	24,70,00,000	24,70,00,000
2	Percentage of shareholding (Indian / Foreign)	74/26	74/26
3	%of Government holding (in case of public sector insurance companies)	NIL	NIL
4	Basic and diluted EPS before extraordinary items (net of tax expense) for the period (not to be annualized)	-1.32	1.03
5	Basic and diluted EPS after extraordinary items (net of tax expense) for the period (not to be annualized)	-1.32	1.03
6	Book value per share (Rs)	17.88	19.20

* Refer Note No. B - III - 2.

14. The investments as at the year end have not been allocated into Policy Holders and Shareholders 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:

(Rs in '000)

Particulars	2010-11	2009-10
Outsourcing Expenses (Manpower)	80,774	60,668
Business Development	34,095	270,710
Marketing Support	967,369	680,961

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

Sl. No.	Authority	Non- compliance/ violation	Amount in (Rs.'000)		
			Penalty Awarded	Penalty Paid	Penalty waived/ Reduced
1.	Insurance Regulatory and Development Authority	None	Nil	Nil	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

18. Agewise analysis of the Unclaimed Amount of Policy holder.

Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders 2010-11

(Rs in '000)

SI No	Particulars	Total Amount	AGE-WISE ANALYSIS						
			1-6 months	7-12 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 / insureds due to any reasons except under litigation from the insured / policyholders	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
B	sum due to the insured / policyholders on maturity or otherwise	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
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	5,852	3,906	247	973	481	132	38	74
D	Cheques issued but not encashed by the policyholder/ insured	87,012	6,086	18,816	17,586	14,617	7,075	13,449	9,384

II. Accounting standard disclosures

1. Employee Benefits (AS-15 Revised)

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 5 years or more.
Leave Encashment	Payable on encashment during the service or on separation to the eligible employees who have accumulated earned leave.

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

i. Expenses recognized in Profit & Loss Account

(Rs in '000)

	Gratuity (Funded)				Leave Encashment (Non Funded)			
	2010-11	2009-10	2008-09	2007-08	2010-11	2009-10	2008-09	2007-08
Current Service Cost	6,343	3,852	4,088	3,313	10,534	13,289	13,477	12,739
Interest cost on benefit obligation	1,878	1,705	1,267	1,303	3,876	4,458	4,285	2,305
Expected return on plan assets	(1,908)	(1,558)	(1,539)	(1,434)	-	-	-	-
Net actuarial (Gain)/loss recognized in the year	6,454	1,739	3,139	(650)	7,095	(15,961)	(8,993)	1,898
Expenses recognized in the Profit & Loss Account	12,767	5,738	6,955	2,532	21,505	1,786	8,769	16,942

ii. The amount recognized in the Balance Sheet

(Rs in '000)

	Gratuity (Funded)				Leave Encashment (Non Funded)			
	2010-11	2009-10	2008-09	2007-08	2010-11	2009-10	2008-09	2007-08
Present Value of obligation at end of year (i)	(41,777)	(28,902)	(22,775)	(16,683)	(59,697)	(45,240)	(4,6837)	(42,454)
Fair Value of Plan assets at end of year (ii)	29,017	23,164	17,359	18,222	-	-	-	-
Difference (ii-i) i.e. Assets/ (Liabilities)	(70,794)	(5,738)	(5,416)	1,539	(59,697)	(45,240)	(46,837)	(42,454)
Net Asset/ (liability) recognized in the Balance Sheet	(12,767)	(5,738)	(6,955)	-	(59,697)	45,240	(46,837)	(42,454)

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

(Rs in '000)

	Gratuity (Funded)				Leave Encashment (Non Funded)			
	2010-11	2009-10	2008-09	2007-08	2010-11	2009-10	2008-09	2007-08
Present Value of obligation at beginning of year	28,902	22,775	16,683	14,839	45,240	46,837	42,454	32,101
Interest Cost	1,878	1,705	1,267	1,303	3,876	4,458	4,285	2,305
Current Service Cost	6,343	3,852	4,088	3,313	10,534	13,289	13,477	12,739
Benefit Paid	(1,800)	(1,169)	(2,402)	(2,122)	(7,048)	(3,383)	(4,386)	(6,589)
Net actuarial (Gain)/Loss on obligation	6,454	1,739	3,139	(650)	7,095	(15,961)	(8,993)	1,898
Present value of the defined benefit as at end of year	41,777	28,902	22,775	161,683	59,697	45,240	46,837	42,454

iv. Changes in the fair value of plan assets:

(Rs in '000)

	Gratuity (Funded)				Leave Encashment (Non Funded)			
	2010-11	2009-10	2008-09	2007-08	2010-11	2009-10	2008-09	2007-08
Fair value of plan assets at beginning of year	23,164	17,359	18,222	8,219	-	-	-	-
Expected return on plan assets	1,908	1,558	1,539	1,434	-	-	-	-
Contributions by employer	5,731	6,949	-	10,691	7,048	3,383	4,386	6,589
Benefit Paid	(1,800)	(1,169)	(2,402)	(2,122)	(7,048)	(3,383)	(4,386)	(6,589)
Actuarial Gain/(Loss) on plan assets	14	(1,533)	-	-	-	-	-	-
Fair value of plan assets at end of year	29,017	23,164	17,359	18,222	-	-	-	-

- v. The disclosure above is in respect of the current year and three preceding years. The disclosure in respect of one immediate preceding annual periods as required by 'AS-15 (Revised 2005)' is not presented as the management considered it impracticable in the absence of requisite information.

vi. Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

(Rs in '000)

	Gratuity (Funded)				Leave Encashment (Non Funded)			
	2010-11	2009-10	2008-09	2007-08	2010-11	2009-10	2008-09	2007-08
Method used	Projected Unit Credit Method							
Discount rate	8.00%	8.00%	8.00%	8.00%	8.50%	8.25%	7.75%	8.00%
Salary Escalation	6.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	7.00%
Mortality rate	LIC (1994-96) Ultimate							
Withdrawal rate	1 to 3%	1 to 3%	1 to 3%	1 to 3%	1%	1%	1%	1%
Rate of return on plan assets	9.25%	9.25%	9.25%	9.15%	-	-	-	-

2. Segments of the company in accordance with the Accounting Standard (AS-17) are as follows.

a) Business Segments

(Rs in '000)

	Year ended 31st March, 2011	Year ended 31st March, 2010
SEGMENT REVENUE:		
Fire Insurance	2,284,274	2,084,488
Marine Insurance	1,358,297	1,410,893
Motor Insurance-OD	7,412,924	5,309,164
Motor Insurance-TP	4,458,166	3,920,189
Engineering Insurance	698,013	969,920
Workmen Compensation Insurance	13,869	100,631
Personal Accident Insurance	297,214	221,867
Product Liability Insurance	106,247	61,224
Health Insurance	1,855,100	1,734,700
Trade Credit	299,991	133,972
Other Insurance	2,139,986	1,515,125
Investments	227,101	132,597
Total	21,276,180	17,594,768
SEGMENT RESULT: Profit / (Loss)		
Fire Insurance	(173,423)	(121,060)
Marine Insurance	(119,724)	(118,517)
Motor Insurance-OD	789,095	790,881
Motor Insurance-TP	(989,454)	(77,716)
Engineering Insurance	55,341	28,928
Workmen Compensation Insurance	45,304	25,476
Personal Accident Insurance	2,420	(19,002)
Product Liability Insurance	5,447	13,429
Health Insurance	(339,087)	(337,481)
Trade Credit	(21,490)	(25,616)
Other Insurance	10,427	55,392
Investments	222,119	127,707
Unallocable	19,348	43,686
Total	(493,676)	386,107
Less Provision for Taxation	166,676	132,289
Profit After Tax	(327,000)	253,818

SEGMENT 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	18,179,935	12,794,816
Total:	18,179,935	12,794,816
Add: Unallocable Assets	3,565,957	5,785,434
Total	21,745,892	18,580,250
SEGMENT LIABILITIES:		
Fire Insurance	663,163	975,637
Marine Insurance	636,333	591,762
Motor Insurance-OD	4,164,038	3,120,335
Motor Insurance-TP	8,496,890	5,881,290
Engineering Insurance	381,636	361,287
Workmen Compensation Insurance	101,219	70,626
Personal Accident Insurance	200,292	160,035
Product Liability Insurance	75,205	53,747
Health Insurance	924,032	958,230
Trade Credit	4,916	4,142
Other Insurance	670,554	655,109
Investments	-	-
Total:	16,318,278	12,832,200
Add: Unallocable Liabilities	1,011,007	1,004,859
Total	17,329,285	13,837,059
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	159,736	87,222
Total	159,736	87,222

Amount of expenses included in segment result for depreciation and amortization in respect of assets:

Fire Insurance	7,258	7,981
Marine Insurance	4,940	6,158
Motor Insurance-OD	26,211	23,328
Motor Insurance-TP	10,886	10,652
Engineering Insurance	2,366	4,088
Workmen Compensation Insurance	499	440
Personal Accident Insurance	1,082	958
Product Liability Insurance	386	258
Health Insurance	6,917	7,637
Trade Credit	1,316	599
Other Insurance	6,966	5698
Investments		
Total:	68,828	67,797
Add: Unallocable Expenses	-	-
Total	68,828	67,797

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.

3. The transactions between the company and its related parties during the year as envisaged under Accounting Standard (AS-18) are as under:

(Rs in '000)

Name of the Related Parties	Nature of Related party relationship	Description of nature of transactions	Consideration Paid/Received 2010-11	Consideration Paid/Received 2009-10
Indian Farmers Fertilisers Coop. Ltd	Promoters with more than 20% Voting rights	Premium collected from direct business	612,533	497,925
		Claims paid on direct basis	402,531	316,990
		Payment of Rent and other expenses	63,765	46,349
		Deposit of Insurance Premium	2,500	2,500
		Payment of Dividend	53,826	-
		Amount Payable / (Receivable) at the Balance Sheet Date	169	2,087
Indian Potash Limited	Associate of Promoters with more than 20% Voting rights	Premium collected from direct business	35,369	-
		Deposit of Insurance Premium	100	
		Payment of Rent and other expenses	2,800	
		Payment of Dividend	1,008	
		Claims paid on direct basis	4,452	-
Tokio Marine Asia Pte Ltd (formerly Millea Asia Pte Ltd)	Promoters with more than 20% Voting rights	Payment of Fee	1,527	3,064
		Payment of Dividend	19,266	-

Tokio Marine & Nichido Fire Insurance Co Ltd	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium Commission Earned on Premium Ceded Losses Recovered from Re-insurer Payment of Fee Amount Payable / (Receivable) at the Balance Sheet Date	142,961 33,564 122,895 16 8,755	125,424 21,801 151,619 18 (99,646)
Tokio Marine Claim Service Asia Pte Ltd	Associate of Promoters with more than 20% Voting rights	Payment of Fee	1,024	2,011
Tokio Marine Global Re Ltd.	Associate of Promoters with more than 20% Voting rights	Premium on Cession of Re-insurance Premium Commission Earned on Premium Ceded Losses Recovered from Re-insurer Amount Payable / (Receivable) at the Balance Sheet Date	105,838 19,649 57,498 (1,040)	105,572 20,875 77,656 (18,991)
Tokio Marine Insurance (Malaysia) Behard	Associate of Promoters with more than 20% Voting rights	Payment of Fee	39	159
Tokio Marine Newa Insurance Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	178	110
Tokio Marine Sri Muang Insurance Co. Ltd.	Associate of Promoters with more than 20% Voting rights	Payment of Fee	40	16
K. Srinivasa Gowda	Chairman	Payment of Rent on office Building	2,400	-
IFFCO-TOKIO Insurance Services Ltd	Subsidiary of the Company with 100% Voting Rights	Premium collected from direct business Claims paid on direct basis Recovery of Expenses Payment of - Commission - Service Charges Investment in Equity Amount Payable / (Receivable) at the Balance Sheet Date	2,487 2,270 5,817 53,709 340,950 5,000 (8,314)	1,773 1,329 7,577 51,489 270,710 5,000 (9,227)

Note: Remuneration to Key Management Personnel viz. Managing Director and other Whole Time Directors is given in Note No 11.

4. In respect of premises taken on operating lease, the lease agreements are mutually renewable/cancellable by the lessor/lessee. (AS-19)
- (i) Amount charged to revenue accounts for cancellable operating lease is Rs 165,094 thousand (Previous year Rs 141,655 thousand).
- (ii) Amount recovered/recoverable and appearing in the revenue account in regard to sub leases is Rs 3,333 thousand. (Previous year Rs 3,113 thousand)
5. Earnings per Share (AS-20)

		2010-11	2009-10
a)	Net Profit available for Equity Shareholders (Rs. '000)	(327000)	Rs. 253,818
b)	Weighted Average number of Equity Shares outstanding during the year (No. of Units in Thousand)	247,000	247,000
c)	Basic and Diluted Earning per Share (Equity Share of Face Value of Rs. 10/- each)	(1.32)	Rs. 1.03

6. The break up of deferred tax assets and liabilities into major components at the year end is as below: (AS-22)

Particulars	As at 31.03.2011		As at 31.03.2010	
	Liabilities	Assets	Liabilities	Assets
Depreciation Expenditure accrued but not deductible for tax purposes, allowable on actual payment	-	12,286	-	12,502
Unexpired Risk reserve provided in excess of limit specified in Income Tax Act.	-	19,830	-	15,029
Business Loss	-	-	-	48,269
Total	-	215,084	-	-
Net Deferred tax asset	-	247,200	-	75,800

III. Other Disclosures

1. In terms of the directions issued by the IRDA, Indian Motor Third Party Insurance Pool was formed in the year 2007- 2008. The Pool is a multilateral reinsurance arrangement wherein all direct business written in respect of motor Third Party on commercial Vehicles is ceded into the Pool. In accordance with the sharing pattern agreed amongst the members and the pool, the Company's share of revenue and expenses based on the return received from the pool aggregating to a loss of Rs 1,372,742 thousand (Previous year Rs 162,182 thousand) have been incorporated under the appropriate heads in the accounts.

2. The Solvency Ratio of the Company as at 31st March 2011 is below the prescribed level of 1.3 as per IRDA Circular No IRDA/NL/ORD/MPL/046/03/2011 dated 12th March 2011. The Management is taking necessary steps to correct the deficiency and submit a financial plan for the same to IRDA
3. 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 31.03.2011 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.

G.S. Mathur & Co.
Chartered Accountants
Firm Regn. No. 008744N
Ajay Mathur
Partner
M.No. 82223

Raghu Nath Rai & Co.
Chartered Accountants
Firm Regn. No. 000451N
Samir Jain
Partner
M.No. 77010

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 16th May, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956)

I. REGISTRATION DETAILS

Registration No. - State Code

Balance Sheet Date
Date Month Year

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Lakh)

Public Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Rights Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Private Placement/others	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Lakh)

Total Liabilities	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="6"/>	Total Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="6"/>
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SOURCES OF FUNDS

Paid-up Capital	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="0"/>	Reserve and Surplus	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="5"/>
Secured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Unsecured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Deferred Tax Liability	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>		

APPLICATION OF FUNDS

Net Fixed Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="2"/>	Investments	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="8"/> <input type="text" value="9"/>
Net Current Assets	<input type="text" value=""/> <input type="text" value=""/> <input)="" <input="" type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="7"/> <input type="text" value=")"/>	Miscellaneous Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Accumulated Losses	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Deferred Tax Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="2"/>

IV. PERFORMANCE OF COMPANY (Amount in Rs. Lakh)

Turnover	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="8"/> <input type="text" value="8"/> <input type="text" value="7"/>	Total Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="1"/> <input type="text" value="7"/>
Profit/(loss) Before Tax	<input type="text" value=""/> <input type="text" value=""/> <input)="" <input="" type="text" value="4"/> <input type="text" value="9"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value=")"/>	Profit/(loss) After Tax	<input type="text" value=""/> <input type="text" value=""/> <input)="" <input="" type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value=")"/>
Earning per Share (in Rs.)	<input type="text" value=""/> <input type="text" value=""/> <input)="" <input="" type="text" value="1"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value=")"/>		

V. GENERIC NAMES OF TWO PRINCIPAL PRODUCTS OF COMPANY:

(As per Monetary Terms)

Decade of Dedication

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IFFCO - TOKIO
2000-2010

Management Report

Attached to the Financial Statements for the year ending 31st March, 2011

1. The registration granted by the Insurance Regulatory and Development Authority has been renewed from time to time and the same is valid upto 31st March, 2012
2. It is confirmed that all the dues payable to the statutory authorities upto 31st March, 2011 were duly paid.
3. The shareholding pattern as on 31st March, 2011 was as under which is in accordance with the statutory requirements:

(Rs in Crores)

Shareholders	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Rs In Crores	%	Rs In Crores	%
Indian:				
Indian Farmers Fertilisers Co-op Ltd.	179.42	72.64	179.42	72.64
Indian Potash Ltd	3.36	1.36	3.36	1.36
Sub-Total	182.78	74.00	182.78	74.00
Foreign:				
Tokio Marine Asia Pte., Ltd.	64.22	26.00	64.22	26.00
Total	247.00	100.00	247.00	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. The Solvency Ratio of the Company as at 31st March 2011 after incorporating the return received from the Pool for the FY 2010-11 is below the prescribed level of 1.3 as per IRDA Circular No IRDA/NL/ORD/MPL/046/03/2011 dated 12th March 2011. The Management will submit a financial plan for achieving the prescribed level.
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, 2011 are shown in the aggregate at amounts not exceeding their realizable or market value except Debt Securities which are valued in accordance with Accounting Policy No 8.1.
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, 2011.
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, 2011 is as under:

No of Claims Outstanding	Year ended 31 st March, 2011			Year ended 31 st March, 2010		
	Fire	Marine	Miscellaneous	Fire	Marine	Miscellaneous
Less than 30 Days	40	112	9,234	152	351	13,164
30 days to 6 months	270	636	12,540	269	673	14,803
6 months to 1 Year	284	556	5,303	200	560	6,629
1 Year to 5 years	396	673	15,541	173	376	12,563
5 Years and above	17	13	1,763	9	13	188
Total	1,007	1,990	44,381	803	1,973	47,347

(Amount in '000)

Claims Outstanding	Year ended 31 st March, 2011			Year ended 31 st March, 2010		
	Fire	Marine	Miscellaneous	Fire	Marine	Miscellaneous
Less than 30 Days	184,786	26,420	1,215,687	135,727	52,840	560,248
30 days to 6 months	621,441	276,176	1,325,390	773,707	140,312	1,110,054
6 months to 1 Year	429,772	229,969	1,120,066	257,537	104,248	1,297,047
1 Year to 5 years	844,590	434,043	3,307,625	916,501	366,414	2,412,185
5 Years and above	4,420	9,761	282,178	3,985	515	22,286
Total	2,085,009	976,369	725,0946	2,087,457	6,64,329	5,401,820

10. As at 31st March, 2011, 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 amortization. The market value of these investments has been ascertained on the basis of the guidelines issued by IRDA and the information is as under:

(Rs. in Lacs)

	Government	Corporate
1. Acquisition Cost of Debt Securities held	61,996	60,583
2. Amortized value of securities as at (1)	60,641	60,597
3. Market Value of securities as at (1)	60,240	59,554
4 Value of (1) as appearing in the balance sheet	60,641	60,597

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 (excluding income received from Pool) of Rs. 129.94 Crores (Previous year Rs. 99.12 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 loss 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, Companies Act, 1956 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 organizations in which directors are interested are as under:

S. No.	Name of the Director	Entity in which Director is Interested	Interested as	Year ended 31st March, 2011	Year ended 31st March, 2010
1	Mr K.S Gowda Mr. B S Nakai Dr B.S Vishwanathan Dr U.S Awasthi Mr Rakesh Kapur	Indian Farmers Fertilisers Cooperative Ltd.	Director Vice Chairman Director Managing Director Jt. Managing Director	4,663	3,633
2	Dr P.S Gahlaut Dr U. S Awasthi Mr. B S Nakai	Indian Potash Ltd.	Managing Director Director Director	38	27
3	Dr B.S Vishwanathan Mr K.S Gowda	Karnataka State Cooperative Marketing Federation Ltd.	Director Director	12	11
4	Dr U.S Awasthi	Fertiliser Association of India Ltd	Director	67	62
5	Mr K.S Gowda Mr Rakesh Kapur Mr.S.Narayanan Mr. N.K Kedia Mr. Y. Fukuda Dr P.S Gahlaut	IFFCO-Tokio Insurance Services Ltd.	Director Director Director Director Director Director	3,969	3,235

for and on behalf of Board of Directors

G.S. Mathur & Co.
Chartered Accountants
Firm Regn. No. 008744N

Ajay Mathur
Partner
M.No. 82223

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

Samir Jain
Partner
M.No. 77010

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 16th May, 2011



Decade of Dedication

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ACCOUNTS OF SUBSIDIARY COMPANY

2000-2010

IFFCO TOKIO INSURANCE SERVICES LIMITED

IFFCO-TOKIO

BOARD OF DIRECTORS

Mr. K. Srinivasa Gowda	Chairman
Dr. Parvinder Singh Gahlaut	Director
Mr. Rakesh Kapur	Director
Mr. S. Narayanan	Director
Mr. Yasunobu Fukuda	Director
Mr. Veer Pratap Singh Parihar	Director
Mr. Nand Kishore Kedia	Director

SENIOR EXECUTIVES

Joydeep Roy
Chief Executive Officer

AUDITORS
S.K. Mehta & Co.
Chartered Accountants

BANKERS
Deutsche Bank,
New Delhi.

HDFC Bank,
New Delhi

REGISTERED OFFICE

IFFCO Sadan, C-1,
District Centre, Saket
New Delhi-110017

CORPORATE OFFICE

'IFFCO Tower', 4th & 5th Floor,
Plot No. 3, Sector 29,
Gurgaon 122001
Phone Nos. 0124-2850100

NOTICE OF EIGHTH ANNUAL GENERAL MEETING

TO THE MEMBERS

NOTICE is hereby given that the **EIGHTH ANNUAL GENERAL MEETING** of the Members of **IFFCO TOKIO Insurance Services Limited** will be held on **Thursday, the 23rd June, 2011 at 3 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. To receive, consider and adopt the audited Balance Sheet of the Company from 1st April 2010 to 31st March, 2011 and the Profit & Loss Account for the above period and the Reports of the Board of Directors and the Company's Auditors thereon.
2. To appoint Director in Place of Mr. K.Srinivasa Gowda who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mr. Rakesh Kapur who retires by rotation and being eligible, offers himself 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 a Special Resolution.

"RESOLVED THAT M/s. Ragu Nath Rai & Co., Chartered Accountants be and are hereby appointed as Auditors of the Company to hold Office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration to be decided by the Company."

Regd.Office: IFFCO Sadan,
C-1 District Centre, Saket,
New Delhi- 110017.
Dated: 30th May, 2011

By order of the Board

(JOYDEEP ROY)
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 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.

IFFCO-TOKIO

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Resolution.

Item No. 4

According to the provisions of Section 224A of the Companies Act, 1956, a Company in which not less than twenty five per cent of the subscribed share capital is held whether singly or in any combination by a General Insurance Company, shall appoint its Auditors by way of Special Resolution in its General Body Meeting. Since IFFCO TOKIO General Insurance Co. Ltd, being a General Insurance Company, holds 100% of the subscribed share capital of IFFCO TOKIO Insurance Services, the said resolution is proposed to be passed as Special Resolution.





Decade of Dedication
10
IFFCO TOKIO
2000-2010

DIRECTORS' REPORT

IFFCO-TOKIO

To the Members

1.0 Your Directors have pleasure in presenting to you the Eighth Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2011 along with the Auditors' Report thereon.

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

2.0 Financial Highlights

Members will be pleased to note that your Company earned a profit before tax of Rs.22.58 Lakhs against a budgeted estimate of Rs.22.00 Lakhs. During the financial year ended 31st March 2011, your Company had generated a gross written premium of Rs.81.87 Crores for ITGI. Furthermore, your Company serviced a premium valuing Rs.796.37 Crores. The breakup of premium serviced through Lateral Spread Centre, Individual Agency Model, Cooperative Model and Banc assurance Model is detailed below:-

MODEL	GWP FOR 2010-11 (Rs. in Crores)
LATERAL SPREAD	413.19
BANCASSURANCE	93.51
INDIVIDUAL AGENCY MODEL	176.74
COOPERATIVE MODEL	112.93
TOTAL	796.37

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

4.1 Your Company has 529 employees on its permanent rolls as on 31st March 2011. In addition to the employees on permanent rolls the Company also has 194 Sr. Marketing Executives and Marketing Executives and 10 Graduate Trainees as on 31st March 2011. Your Company has utilized the services of 683 Relationship Executives and Customer Care Associates for servicing ITGI customers and tie up arrangements.

4.2 The training of manpower has been consolidated through both on-line modules and various class room trainings 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, your Company embarked upon a new training initiative for training the business associates of ITGI through its online modules and various other class room programmes. During the year a total of 50 persons were trained under this initiative. The Gurukul Training facility in Gurgaon was utilized to train 700 employees / trainees during the year.

5.0 Marketing Strategy

- 5.1 Members are kindly aware that your Company distributes ITGI products in the market through its network of employees and trainees. With a view to penetrate deeper into the market and enhance distribution/sale of ITGI products, your Company has strengthened and successfully expanded the concept of Lateral Spread Centers by increasing the number of such centers from 97 to 103. These centers have helped ITGI to enhance its presence in small but potential centers at a lower cost. These centers have jointly procured gross written premium of Rs.413.19 Crores for ITGI at an average expense ratio of 4.32%. The total number of LSCs as of 31st March 2011 is 103.
- 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 recruit, train and monitor Individual agents in the retail segment and also agents from cooperatives back ground. During the year the Company deployed 540 employees and trainees to manage these two models.
- 5.3 Your Company continues to play an important role in servicing of ITGI customers. The Service channel consisting of Relationship Executives and Customer care Associates (on outsourced basis) has yielded very good response from the market. This model has serviced a total premium of Rs.605.74 Crores sourced from ITGI Service provider tie ups. During the year, your Company had actively promoted and sold the Barish Bima Yojana, Janta Bima Yojana and Mausam Bima Yojana and other weather products launched by ITGI.

6.0 Corporate Governance

The Executive Committee is responsible for finalization of business plan, annual budgets, review of operations, review of performance of personnel and HR matters. During the period, eight meetings of Executive Committee and 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 10 to 31st March, 2011. There are no specific observations in the report of the Auditors which require clarification.

8.0 Future Plan

As your Company has to render dedicated services as a corporate agent to ITGI, it has drawn a Business plan for the ensuing year 2011-12 as per the direction provided by ITGI.

The Company has drawn up plans to strengthen the Direct Channel further and meet the challenges of de-tariffing through its trained direct sales force. The blue ocean strategy adopted by the Company in the form of managing its geographical spread into B and C centers through Lateral Spread offices and Bima Kendras is going to be driven in a planned manner. The emphasis will be on Bima Kendras to spread into B and C class of cities. Some of these, depending upon the premium that they will procure, will be provided with upgraded facilities. Your Company also plans to strictly imbibe the philosophy of selection of risk and work consciously towards increased operational efficiency through cost control and enhanced capacity utilisation.

9.0 Information under section 217(2A) of the Companies Act 1956

Information as per the provisions contained under section 217(2A) of the companies Act 1956 read with Companies (Particulars of Employees) Rules 1975 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 31st 2011 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.

11.0 Appointment of Auditors

As per the provisions contained in section 224 of the Companies Act,1956, your Company has received a communication from M/s. Raghu Nath Rai & Co. that if they are appointed they are well within the limits prescribed under section 224(1B) of the Companies Act. They have also confirmed their willingness to accept the audit of Company in the event of their appointment. Your Directors recommended the appointment of M/s. Raghu Nath Rai & Co. as Statutory Auditors for the financial year 2011-12.

12.0 Board of Directors

Pursuant to article 78 of the Article of Association of your Company, Mr. K. Srinivasa Gowda and Mr. Rakesh Kapur, Directors retire by rotation at this Annual General Meeting and are eligible for re-appointment.

13.0 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 out sourced personnel of your Company at all levels.

for and on behalf of the
Board of Directors

Place: New Delhi
Date : 16th May, 2011

(K. Srinivasa Gowda)
Chairman

Sudhanshu Gupta & Associates

Company Secretaries
101, Indraprastha Building,
H-58, Vikas Marg, Laxmi Nagar, Delhi-110092
Phone No. 91- 11- 43026455 Fax No. 42487011,
M-9811547321

COMPLIANCE CERTIFICATE

Registration No.: 55-121571
Nominal Capital: Rs.200 Lac

To,

The Members,

IFFCO-TOKIO INSURANCE SERVICES LIMITED

I have examined the registers, records, books and papers of **IFFCO-TOKIO INSURANCE SERVICES LIMITED** (The Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2011**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year.

1. The company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded;
2. The company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, and Central Government. Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder;
3. The company is a public limited company and has minimum prescribed paid up capital;
4. The Board of Director duly met **5 (Five) times** respectively on 27th April 2010, 22nd September 2010, 18th November 2010, 10th December 2010 and 10th March 2011 (dates) in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose;
5. The company has not closed/was not required to close its Register of Members or Debenture holders during the financial year;
6. The annual general meeting for the financial year ended on 31.03.2010 was held on 25th May 2010 after giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose;
7. No extra ordinary general meeting was held during the financial year;
8. The company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act;
9. The company has not entered into any contracts falling within the purview of section 297 of the Act;
10. The company has made necessary entries in the register maintained u/s 301 of the Act;

IFFCO-TOKIO

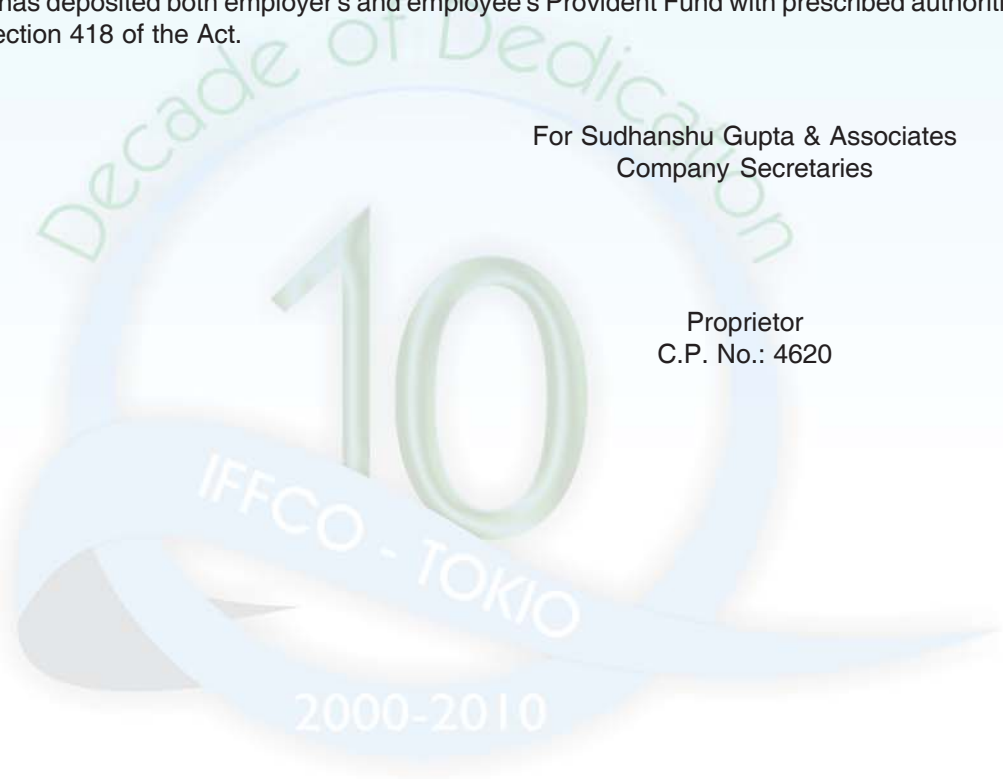
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government;
12. The company has not issued any duplicate share certificates during the financial year;
13. The Company has:
 - (i) Not Applicable
 - (ii) Not Applicable
 - (iii) Not Applicable
 - (iv) Not Applicable
 - (v) Duly complied with the requirements of section 217 of the Act;
14. The Board of Directors of the company is duly constituted. Re-appointment of Directors u/s 256 has been duly made during the financial year;
15. The company has not appointed any Managing Director/Whole-time Director/Manager during the financial year;
16. The company has not appointed any sole selling agents during the financial year;
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year;
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under;
19. The company has not issued any shares, debentures or other securities during the financial year;
20. The company has not bought back any shares during the financial year;
21. There was no redemption of preference shares or debentures during the financial year;
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares;
23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year;
24. The company has no transactions falling under Section 293(1) (d) of the Act;
25. The company has no transaction as per Section 372A of the Act during the financial year;
26. The company has not altered the provision of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny;
27. The company has not altered the provision of the memorandum with respect to object of the company during the year under scrutiny;
28. The company has not altered the provision of the memorandum with respect to name of the company during the year under scrutiny;
29. The company has not altered the provision of the memorandum with respect to share capital of the company during the year under scrutiny;

30. The company has not altered its Articles of Association during the financial year;
31. There was/were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act;
32. The company has not received any money as security from its employees during the financial year;
33. The company has deposited both employer's and employee's Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For Sudhanshu Gupta & Associates
Company Secretaries

Proprietor
C.P. No.: 4620

Place: Delhi
Date: 13th May 2011



IFFCO-TOKIO

Annexure-A Registers as maintained by the Company

1. Register of Members u/s 150 of the Act.
2. Minutes Book of General Meetings of Members of the company u/s 193 of the Act.
3. Minutes Book of Meetings of the Board u/s 193 of the Act.
4. Register of Directors, Managing Director, Manager and secretary u/s 303.
5. Register of Directors shareholding u/s 307.
6. Register u/s 301.
7. Fixed Assets Register.
8. Share Transfer Register
9. Register of Common Seal

Annexure-B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2011.

S. No.	Form No.	Filed u/sec	For	Date of Filing	Whether filed within prescribed time yes/No	If delay in filing whether requisite additional fee paid Yes/No
1.	Form 20B	159	25-05-2010	23-07-2010	Yes	NA
2.	Form 23AC & 23ACA	220	25-05-2010	22-06-2010	Yes	NA
3.	Form 66	383A	25-05-2010	31-05-2010	Yes	NA
4.	Form 23	192	25-05-2010	24-06-2010	Yes	NA



AUDITORS' REPORT

IFFCO-TOKIO

To the members of

IFFCO TOKIO INSURANCE SERVICES LIMITED

We have audited the attached Balance Sheet of IFFCO TOKIO INSURANCE SERVICES LIMITED as at 31st March 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Audit Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Significant Accounting Policies and Notes to the Accounts, gives the information required by the Companies Act, 1956, in the manner so required gives a true and fair view:
 - (a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2011 and
 - (b) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For S.K.MEHTA & CO.
CHARTERED ACCOUNTANTS
FRN 000478N

PUNEET HARJAI
PARTNER
M.No:095715

PLACE: NEW DELHI
DATED: 16/05/2011

ANNEXURE TO THE AUDITORS REPORT OF IFFCO TOKIO INSURANCE SERVICES LIMITED

(Referred to in Paragraph 1 of our report of even date)

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets physically verified by the management at reasonable intervals during the period and no discrepancies were noticed on such verification as compared with the records of fixed assets maintained by the Company. Company has not disposed any fixed assets during the period under audit.
2. The Company has neither granted nor taken any loans to / from the Companies and other parties covered in the register maintained under section 301 of the Companies Act 1956.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchase of fixed assets and services and for the sale of services. In our opinion there is no continuing failure to correct major weakness in internal control.
4. As explained to us there has not been any transaction during the year that need to be entered in the register maintained under section 301 of the Companies Act, 1956 exceeding Rs5,00,000 or more in respect of each such party.
5. In our opinion and according to the information and explanation given to us the Company has not accepted any deposit from public.
6. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
7. According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth-tax, Custom Duty, Excise Duty, cess which are outstanding as at 31-03-2011 for a period of more than six months from the date they became payable.
8. The company has not taken any loans from banks, financial institutions or by issuing debentures.
9. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
10. The company is not dealing or trading in shares, securities, debentures and other investments.
11. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
12. The company has not taken any term loans.
13. According to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investments. Similarly, no funds raised on long-term basis have been used for short-term investments.
14. According to the information and explanations given to us, no preferential allotment of shares has been made by the company to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

IFFCO-TOKIO

15. According to the information and explanations given to us, a fraud on or by the company has not been noticed or reported during the year.
16. Clauses (ii), (viii), (x), (xiii), (xix), (xx) are not applicable to the company.

PLACE: NEW DELHI
DATED: 16/05/2011

For S.K.MEHTA & CO.
CHARTERED ACCOUNTANTS
FRN 000478N

PUNEET HARJAI
PARTNER
M.No:095715

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IFFCO - TOKIO

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IFFCO TOKIO INSURANCE SERVICES LIMITED
Balance Sheet as at 31st March 2011



(Rs in '000)

	Schedule No.	As at 31st March, 2011	As at 31st March, 2010
I. SOURCES OF FUNDS			
(1) Share Capital	1	5,000,000	5,000,000
(2) Reserve and Surplus Profit and Loss account		6,874,786	5,321,487
TOTAL		11,874,786	10,321,487
II. APPLICATION OF FUNDS			
(1) Fixed Assets			
Telephone Instruments			
Gross Block		585,813	585,813
Less : Accumulated Depreciation		(585,813)	(585,813)
Net Block		-	-
(2) Deferred Tax Asset (Net)		3,965,000	3,550,000
(3) Current Assets & Loans and Advances			
(a) Cash and Bank Balances	2	19,773,795	7,230,525
(b) Loans and Advances	3	68,750,816	66,370,186
		88,524,611	73,600,711
<i>Less:</i>			
Current Liabilities and Provisions			
(a) Current Liabilities	4	68,885,284	57,155,455
(b) Provisions	5	11,729,541	9,673,769
		80,614,825	66,829,224
Net Current Assets		7,909,786	6,771,487
TOTAL		11,874,786	10,321,487

Notes on Accounts

8

Schedule 1 to 8 form an Integral part of Financial Statements

As per our report of even date attached

for S K Mehta & Co.
Chartered Accountants

Puneet Harjai
Partner
M.No. 95715

Place : New Delhi
Date : 16th May, 2011

for IFFCO TOKIO Insurance Services Ltd.

K. Srinivasa Gowda
Chairman

S. Narayanan
Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

Joydeep Roy
CEO

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IFFCO TOKIO INSURANCE SERVICES LIMITED
Profit and Loss Account for the year ended 31st March 2011

(Amount in Rs.)

	Schedule No.	Current Year	Previous Year
INCOME			
Income from Operations		394,659,379	322,199,231
Other Income		5,169,044	4,120,842
		399,828,423	326,320,073
EXPENDITURE			
Employees Remuneration & Benefits	6	292,100,360	229,896,606
Administration, Operating and Other Expenses	7	104,706,440	94,013,908
Interest & Bank Charges		763,473	521,053
		397,570,273	324,431,566
Profit before Tax		2,258,150	1,888,507
Provision for Taxation			
For the year			
- Current Tax		1,040,000	300,000
- Deferred Tax		(340,000)	575,000
- Credit for MAT entitlement		-	(300,000)
For earlier year			
- Current Tax		80,206	2,638,373
- Deferred Tax		(75,000)	(2,200,000)
- Fringe Benefit Tax		(355)	(200,000)
Profit After Tax		1,553,299	1,075,134
Balance of profit brought forward from last year		5,321,487	4,246,354
Balance Carried Forward to Balance Sheet		6,874,786	5,321,487
Basic and Diluted earning per share		3.11	2.15

Notes on Accounts

8

Schedule 1 to 8 form an Integral part of Financial Statements

As per our report of even date attached

for S K Mehta & Co.
Chartered Accountants

Puneet Harjai
Partner
M.No. 95715

Place : New Delhi
Date : 16th May, 2011

for IFFCO TOKIO Insurance Services Ltd.

K. Srinivasa Gowda
Chairman

S. Narayanan
Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

Joydeep Roy
CEO

IFFCO TOKIO INSURANCE SERVICES LIMITED
Schedules Forming Part of Accounts



Amount in Rs.

	As at 31st March 2011	As at 31st March 2010
Schedule '1' - Share Capital		
Authorised :		
2000000 Equity Shares of Rs.10 each	20,000,000	20,000,000
Issued, Subscribed & Paid up		
500000 Equity Shares of Rs.10 each fully paid up	5,000,000	5,000,000
<hr/>		
Schedule '2' - Cash & Bank Balances		
Cash in Hand	815,493	810,227
Cheque in hand	13,272,670	-
Balance with Scheduled Banks		
- In Current Accounts	579,153	1,420,298
- In Fixed Deposits Accounts	5,106,479	5,000,000
	19,773,795	7,230,525
<hr/>		
Schedule '3' - Loan and Advances (Unsecured considered good)		
Advance Tax (net of provision)	50,733,434	47,368,837
MAT Credit Entitlement	-	300,000
Rent Deposit	6,346,300	6,389,520
Deposit with IFFCO	7,600,000	9,100,000
Interest accrued but not due on deposits	317,730	436,129
Service Tax Recoverable	1,072,711	828,010
Advance Recovable in cash or in kind or for value to be received	2,680,641	1,947,690
	68,750,816	66,370,186
<hr/>		
Schedule '4' - Current Liabilities		
TDS Payable	1,663,531	1,404,578
Due to Holding Company	8,313,587	9,227,039
Other Liabilities	58,908,166	46,523,838
	68,885,284	57,155,455
<hr/>		
Schedule '5' - Provisions		
Gratuity	1,068,502	1,227,990
Leave Encashment	10,661,039	8,445,779
	11,729,541	9,673,769
<hr/>		
Schedule '6' - Employees Remuneration & Benefits		
Salary & Allowances	172,808,807	121,211,876
Stipend to Trainees	101,748,147	92,939,364
Gratuity	1,066,748	1,552,379
Leave Encashment	3,717,200	4,254,061
Employers Contribution to Provident Fund	4,240,517	2,951,648
Staff Welfare	2,341,153	1,810,297
Leave Travel Concession	5,639,945	4,792,498
Provident Fund Administration Charges	537,843	384,483
	292,100,360	229,896,606

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Amount in Rs.

	Current Year	Previous Year
Schedule '7' - Administration, Operating and Other Expenses		
Rent Rates & Taxes	23,603,478	23,328,275
Repair & Maintenance	5,052,862	4,276,646
Communication Expenses	11,553,717	10,771,551
Travelling and Conveyance	14,975,623	13,167,399
Printing and Stationery	6,607,799	6,952,259
Legal & Professional Expenses		
- Outsourcing Expenses	29,301,465	24,062,343
- Others	4,819,830	3,628,642
Payment to Auditors		
- Audit Fees	120,000	120,000
- Income Tax matters	85,000	35,000
Insurance Charges	2,365,343	1,855,329
Electricity & Water Charges	4,629,295	4,383,479
Miscellaneous Expenses	1,592,028	1,432,985
	104,706,440	94,013,908

SCHEDULE - 8 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 general accepted accounting principles in India, and confirm to the statutory requirements prescribed under the Companies Act, 1956 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

- Income from services is recognized when the services are rendered.
- Interest Income is recognized 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 XIV of the Companies Act, 1956.

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 recognized and carried only to the extent that there is a reasonable / virtual certainty that the asset will be realized 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 can not be made.

g) Employees Benefits

- Defined Contribution Plan: Company contribution paid / payable for the year to defined contribution employee benefit schemes are charged to Profit & Loss account.
- 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 recognized 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.

- iii) The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

2. NOTES TO ACCOUNTS

a) Employees Benefits

The company has calculated the various benefits provided to employees as under

i) Defined Contribution Plans

The company makes contributions at a specified percentage of payroll cost towards Employee Provident Fund (EPF) for qualifying employees.

The company recognized Rs. 42,40,517 (Previous year Rs. 29,51,648) for provident fund contribution in the profit & loss account.

ii) Defined Benefit Plans

1) Leave Encashment / Compensated Absences.

2) 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	
	2010-11	2009-10	2010-11	2009-10
Discount Rate (Per Annum)	8.25%	7.75%	8.25%	7.75%
Rate of Increase in compensation level*	10%	10%	10%	10%

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

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

a) Change in Present Value of Obligation

Amount in Rupees

Particulars	Leave Encashment / Compensated Absences (Unfunded)		Gratuity (Funded)	
	2010-11	2009-10	2010-11	2009-10
Projected Benefit obligation at beginning of year	8,445,779	45,98,121	2,986,480	13,13,307
Current Service Cost	4,541,790	23,16,364	1,206,342	6,03,387
Interest Cost	948,336	4,69,790	275,155	1,34,169
Actuarial Loss / (Gain) due to change in assumptions	(1,772,926)	14,67,907	(222,447)	9,35,617
Benefit Paid	(1,501,940)	(4,06,403)	(78,519)	-
Past service cost	-	-	17,172	-
Projected Benefit Obligation at End of year	10,661,039	84,45,779	4,184,183	29,86,480

b) Amount to be recognized in the Balance sheet

Amount in Rupees

Particulars	Leave Encashment / Compensated Absences		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Projected Benefit Obligation at End of the year	1,06,61,039	84,45,779	41,84,183	29,86,480
Ending Assets	-	-	31,15,681	17,58,490
Funded Status assets / (Liability)	(1,06,61,039)	(84,45,779)	(10,68,502)	(12,27,990)
Liability (-) / Assets (+) recognized in Balance sheet	(1,06,61,039)	(84,45,779)	(10,68,502)	(12,27,990)

c) Expenses recognized in the Profit and Loss Account

Amount in Rupees

Particulars	Leave Encashment / Compensated Absences		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Current Service Cost	45,41,790	23,16,364	12,06,342	6,03,387
Interest Cost	9,48,336	4,69,790	2,75,155	1,34,169
Expected Return on Plan Asset	-	-	(1,39,830)	(1,20,794)
Net actuarial (gain)/loss to be recognized in year	(17,72,926)	14,67,907	(2,92,091)	9,35,617
Past Service Cost	-	-	17,172	-
Income (-)/ Expenses (+) recognized in the statement of Profit & Loss	37,17,200	42,54,061	10,66,748	15,52,379

b) Amount to be recognized in the Balance sheet

Amount in Rupees

Particulars	Gratuity	
	2010-11	2009-10
Plan Assets at the beginning of the year	1,758,490	12,13,205
Expected Return on Plan Assets	139,830	1,20,794
Employer's Contribution	1,226,236	4,24,491
Benefit Payments	(78,519)	
Asset Gain / (Loss)	69,644	
Plan Assets at the end of the year	3,115,681	17,58,490

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 cancelable. Lease payments are shown in Schedule 7 as Rent, Rates and Taxes.

c) In the opinion of management current assets & loans & advances have value on realization 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) Earning per share

Earning 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

Particulars	2010-11	2009-10
Net Profit/(Loss) as per Profit and Loss Account	Rs. 15,53,299	Rs. 10,75,134
Number of Equity Shares	500000	500000
Earnings per Share (Basic & Diluted)	Rs. 3.11	Rs. 2.15
Face Value per share	Rs. 10	Rs. 10

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

Amount in Rupees

Particulars	Liabilities		Assets	
	2010-11	2009-10	2010-11	2009-10
Difference in book depreciation and tax depreciation	-	-	3,40,000	4,00,000
Expenditure Incurred but allowable under Income Tax Act on payment basis	-	-	36,25,000	29,89,000
Carried forward business loss as per Income Tax Act	-	-	-	1,61,000
Total			39,65,000	35,50,000

Net Deferred Tax Asset Rs. 39,65,000 (Previous year Rs. 35,50,000)

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" the credit of deferred tax amounting Rs. 4,15,000 (Previous Year Rs. 16,25,000) is recognized 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 Related Party	IFFCO-TOKIO General Insurance Co. Ltd.		Indian Farmers Fertilizers Coop. Ltd.		Sh Joydeep Roy, CEO	
Nature of Relation	Holding Company		Promoter of Holding Company		Key Management Personnel	
Description of transaction	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1. Receipt of commission and service charges	39,46,59,379	32,21,99,231	-	-	-	-
2. Reimbursement of expenses	58,16,510	75,77,088	-	-	-	-
3. Employee Remuneration	-	-	-	-	24,84,010	19,56,879
4. Insurance Premium Paid	24,87,255	17,72,586	-	-	-	-
5. Insurance Claims Recd	22,69,879	13,28,734	-	-	-	-
6. Interest earned on fixed deposit receipts	-	-	7,40,329	6,23,768	-	-
7. Amount payable / (recoverable) at the balance sheet date	83,13,587	92,27,039	-	-	-	-
8. Fixed Deposits held	-	-	76,00,000	91,00,000	-	-

- 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 2011.
- 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 **S K Mehta & Co.**
Chartered Accountants

Puneet Harjai
Partner
M.No. 95715

Place : New Delhi
Date : 16th May, 2011

for IFFCO TOKIO Insurance Services Ltd.

K. Srinivasa Gowda
Chairman

S. Narayanan
Director

Rakesh Kapur
Director

Yasunobu Fukuda
Director

Joydeep Roy
CEO

IFFCO TOKIO INSURANCE SERVICES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956)

I. REGISTRATION DETAILS

Registration No.

State Code

Balance Sheet Date
Date Month Year

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Lakh)

Public Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Rights Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Private Placement/others	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Lakh)

Total Liabilities	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="4"/>	Total Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="4"/>
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SOURCES OF FUNDS

Paid-up Capital	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>	Reserve and Surplus	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="5"/>
Secured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Unsecured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Deferred Tax Liability	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>		

APPLICATION OF FUNDS

Net Fixed Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Investments	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Net Current Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="9"/>	Miscellaneous Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Accumulated Losses	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Deferred Tax Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="6"/> <input type="text" value="5"/>

IV. PERFORMANCE OF COMPANY (Amount in Rs. Lakh)

Turnover	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="8"/>	Total Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="0"/>
Profit/(loss) Before Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="8"/>	Profit/(loss) After Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="3"/>
Earning per Share (in Rs.)	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="1"/> <input type="text" value="1"/>		

V. GENERIC NAMES OF TWO PRINCIPAL PRODUCTS OF COMPANY:

(As per Monetary Terms)

Item Code No.(ITC Code)

Product Description: Insurance Auxiliary Services



IFFCO TOKIO GENERAL INSURANCE CO. LTD.

Regd. Office: IFFCO Sadan, C1, Distt. Centre, Saket, New Delhi 110017

Regd. Folio No. _____

No. of Shares held: _____

PROXY FORM

I/we Regd. Folio No. _____, of Register of Members of IFFCO TOKIO General Insurance Co. Ltd. being a Member/Members 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 Eleventh Annual General Meeting of the Company to be held on Thursday, the 23rd June, 2011 at 4 P.M. at IFFCO Sadan, C1, District Centre, Saket, New Delhi 110017 and at any adjournment thereof.

Signed this

Signed by the said

Affix Rs. 1/-
Revenue
stamp

Note: The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. A proxy need not be a member.

IFFCO TOKIO GENERAL INSURANCE CO. LTD.
Regd. Office: IFFCO Sadan, C1, Distt. Centre, Saket, New Delhi 110017

ATTENDANCE SLIP

(PLEASE PRESENT THIS SLIP AT ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the 11th Annual General Meeting of the Company to be held on Thursday, the 23rd June, 2011 at 4 P.M. at IFFCO Sadan, C1, District Centre, Saket, New Delhi 110017

Ledger Folio No. _____

No. of Shares: _____

Name of Shareholder _____

Signatures _____

