



IFFCO-TOKIO GENERAL INSURANCE CO. LTD
9th ANNUAL REPORT 2008-09

IFFCO-TOKIO



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Board of Directors



K. Srinivasa
Gowda
Chairman



Takashi
Yoshikawa
Vice-Chairman



Surinder Kumar
Jakhar
Director



U.S. Awasthi
Director



B.S. Vishwanathan
Director



Rakesh Kapur
Director



S. Narayanan
MD & CEO



N. K. Kedia
Director
(Marketing)



Yasunobu
Fukuda
Director
(Operations)

BOARD OF DIRECTORS

Mr. K. Srinivasa Gowda	Chairman
Mr. Hiroshi Endo	Vice Chairman (upto 11th August, 2008)
Mr. Takashi Yoshikawa	Vice Chairma (w.e.f. 11th August, 2008)
Mr. Surinder Kumar Jakhar	Director
Mr. Chandra Pal Singh	Director (upto 29th September, 2008)
Dr. B.S. Vishwanathan	Director
Dr. U.S. Awasthi	Director
Mr. Rakesh Kapur	Director
Mr. S. Narayanan	Managing Director & Chief Executive Officer
Mr. N.K. Kedia	Director (Marketing)
Mr. Y. Fukuda	Director (Operations)

SENIOR EXECUTIVES

Mr. M.K. Tandon	Financial Advisor
Mr. V.S. Rao	Executive Director & Company Secretary
Mr. H.O. Suri	Executive Director
Mr. U.C. Dubey	Executive Vice President

AUDITORS

S.P. Chopra & 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. 011-26510001

CORPORATE OFFICE

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

NOTICE OF 9TH ANNUAL GENERAL MEETING

TO THE MEMBERS

NOTICE is hereby given that the **NINTH ANNUAL GENERAL MEETING** of the Members of **IFFCO TOKIO General Insurance Company Limited** will be held on **Tuesday, the 7th July, 2009 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, 2009 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. S.K. Jakhar 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 S.P. Chopra & Co., Chartered Accountants and M/s Raghu Nath Rai & 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 : 10th June, 2009

By Order of the Board,

Sd/-
(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 Wednesday, the 1st July, 2009 to Tuesday, the 7th July, 2009 (both days inclusive)

DIRECTOR'S REPORT

Honorable Members,

1.0. Your Directors have pleasure in presenting the Ninth Annual Report on the activities of your Company together with the audited financial results for the year ended 31st March, 2009 along with the Auditors' Report thereon.

2.0. ECONOMIC ENVIRONMENT AND INDUSTRIAL SCENARIO

2.1 Honorable Members are kindly aware that the year 2008-09 has witnessed a global economic meltdown which had an adverse impact on country's economic growth. As per the recent media reports the Indian Economy is expected to grow by 6 per cent in the year 2008-09 which is over One percentage point below the government estimates and slip further in the next year. Some economists believe that the growth will significantly slow down to 5% in the financial year 2009-10. While some others have expressed optimism about marginal recovery in the year 2009-10 due to expected rebound in the U.S. economy consequent to the recovery measures taken by the U.S. Government in quarter ending December, 08.

Although, the Governments and the Central Banks of various countries are taking variety of measures to arrest further deterioration, it would not be possible to predict definite time lines where the scenario will start looking up. Members are kindly aware that the impact of Global Economic Meltdown has been visible in India also and has adversely affected industrial production, marketing and operating results across all segments of economy. There is acute liquidity crunch within the banking sector leading to shortage in financing of projects, working capital and lending of funds to retail borrowers. The fallout of these are getting reflected in the form of deteriorating operating results, in spite of various cost cutting measures being implemented by various entrepreneurs.

3.0 INDUSTRY SCENARIO OF GENERAL INSURANCE

3.1 As per the present indications the market growth of Insurance Industry is estimated at 7.6% as against 10% anticipated in March, 2008. Further the market growth for the year 2009-10 is projected at 6.5% as against 10% anticipated earlier. Consequent to the depressed growth of Insurance Market in the year 2008-09 and as foreseen for the year 2009-10 the premium growth of private players is estimated at 12.5% in the year 2008-09 and 10% in the year 2009-10.

3.2. The de tariff process initiated in the non life insurance sector during 2007-08 has severely impacted the Insurance market. As the Members are aware the freedom given to Insurance companies to fix their own premium rates had lead to a price war among the insurers with Companies offering heavy discounts on the premiums. There has been substantial reduction in premium rates of almost all products during the year. After de-tariffing, while the growth in premium has slowed down on account of reduction in rates, the number of policies underwritten has shown an increase. IRDA has further lifted the cap on discounting for Property and Engineering business effective from 1st January, 2008. The Insurance market is undergoing a sea change due to the shift from regulated market to detariff market. The spirit of competition in its fierceness is likely to intensify than diminish in the ensuing year. However, the current detariff process has not only provided an opportunity of cost benefits but also variety of products to the insured.

4.0 FINANCIAL HIGHLIGHTS

- 4.1 Your Company has completed another year of its operations and earned a profit before tax of Rs.6.92 Crores as against the profit of Rs.17.44 Crores during the previous year. In terms of the directions issued by IRDA, Indian Motor Third Party Insurance Pool was formed w.e.f. 1st April 2007. The Pool is a multilateral Reinsurance arrangement wherein all direct business written in respect of Motor Third Party in respect of Commercial vehicles is ceded into the Pool. In accordance with the sharing pattern agreed to amongst the members and the Pool, the net impact of Pool operation allocated to the Company had net adverse effect on the profits of the year by Rs. 15.72 Crores. Since the operating results of the Pool are allocated to members on the basis of their respective market share, the impact would vary in the ensuing years.
- 4.2 Members are kindly aware that there was terrorist attack in Mumbai in the last week of November, 2008 which had caused extensive damage to the prestigious hotel buildings and destruction of valuable human lives. Your Company is a participant in the Terrorism pool which extends protection to its Members in such unfortunate eventualities and apportions the total financial liability arising out of such incidents to each of the participant in the ratio of its market share. The share of ITGI out of the total loss assessed by the Terrorism Pool was determined at Rs. 12 Crores which had the impact of lowering the profits for the year.
- 4.3 Despite the difficult market conditions, your Company has underwritten Gross Premium of Rs.1515.52 Crores, including Rs 114.32 Crores from the Motor Third Party Insurance Pool as compared to Rs.1235.83 Crores achieved in the previous year, representing an increase of 22.71% over the previous year. The underwriting results however, show a loss of Rs. 98.53 Crores mainly due to the changes consequent to shift from regulated market to detariff market and amounts allocated by the Motor Pool and the Terrorism Pool as explained above. The growth of the market has suffered due to heavy reduction in premium rates, cut throat competition amongst market players and aggressive efforts being made by some of the players to enhance their market share. The reinsurance market has been hardening due to increase in claim payments on account of natural disaster as also reduced pricing.
- 4.4. The commercial lines of business have been showing signs of saturation. New investments have dwindled and the overall economic activity has decreased sharply due to global recession. Even in the retail segments which predominantly consists of automobile business the growth in 2009-10 is expected to considerably less compared to earlier years. Taking into consideration the potential and profitability of various classes of the Company has planned for lesser growth of business without sacrificing the quality and also controlling the incurred claim ratio.

4.5. The financial highlights of the year's operations are summarized below.

FINANCIAL RESULTS

Particulars	Year 2008-09	Year 2007-08
Gross Written premium	1515.52	1235.83
Less Reinsurance premium	629.84	498.08
Net premium	885.68	737.75
Unexpired Risk Reserve	52.75	98.08
Earned premium	832.93	639.67
Commission earned (net)	3.23	3.95
Others	0.06	1.07
Total underwriting Revenue	836.22	644.69
Net incurred claims	695.02	504.74
Expenses of Management	239.62	201.06
Others	0.11	0.25
Total underwriting expenses	934.75	706.05
Underwriting profit /Loss	(98.53)	(61.36)
Investment Income:		
Allocated to Revenue A/c	85.69	51.56
Allocated to P&L A/c	19.72 105.41	21.99 73.55
Others	(0.04)	(0.33)
Net underwriting surplus	(12.84)	(9.80)
Profit before Tax	6.92	11.86

5.0 DIVIDEND

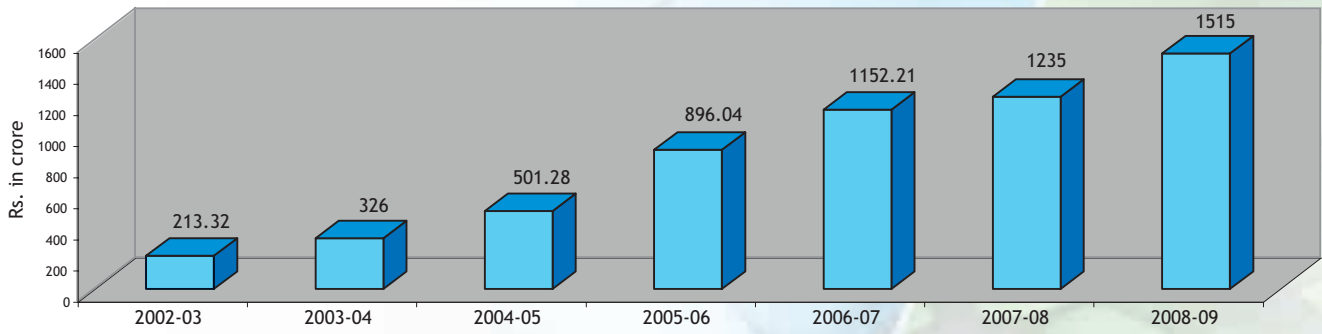
5.1. Your Directors have not proposed to declare any dividend for the year in view of the low profits and the need to retain the surplus profits so as to comply with the Guidelines issued by IRDA with regard to the required Solvency margin.

6.0 INVESTMENTS

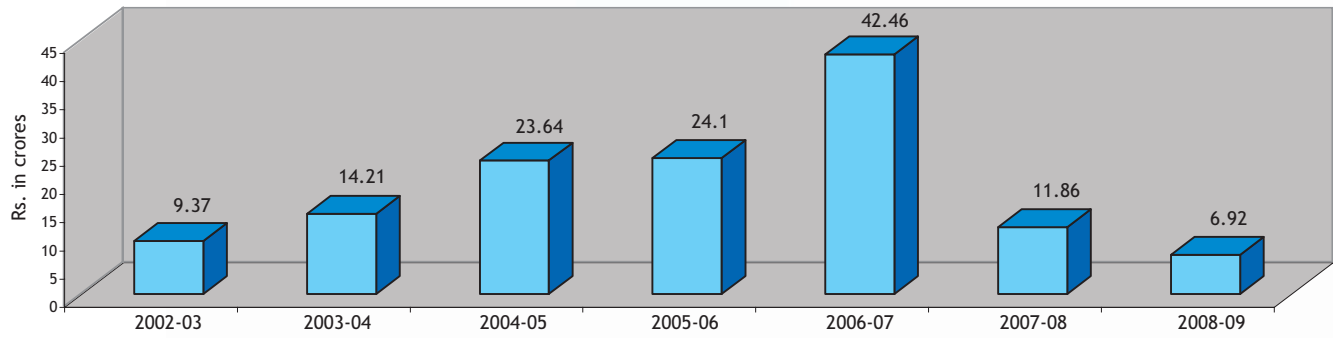
6.1 The total investments of your Company as on 31st March, 2009 were Rs.1058 Crores as against Rs. 885 Crores at the end of the previous year. Investments were made in Government Securities and other approved schemes prescribed in IRDA (Investment) Regulations 2000. The yield on these investments during the year worked out to 8.92% as against 8.67% earned in the previous year.

6.2 During the year IRDA has issued IRDA Investment (Fourth Amendment) Regulations, 2008 notifying various amendments in the manner of computation of various Investible surplus, reconstituting Investment Committee, introduction of Standard operating procedures, exposure norms, introduction of concurrent audit and installation of an IT based automated Risk Management system. Your Company has taken appropriate measures to comply with the requirements of IRDA and the work is in progress for installation of Automated Risk Management system.

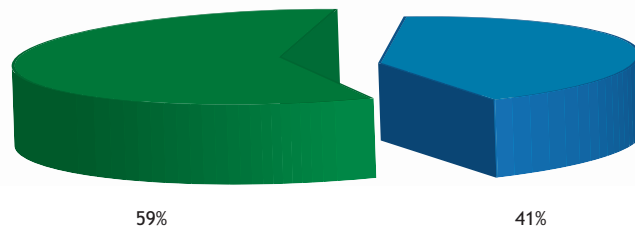
GWP Growth



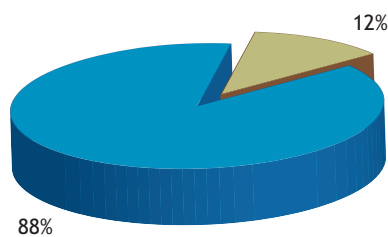
PBT Performance



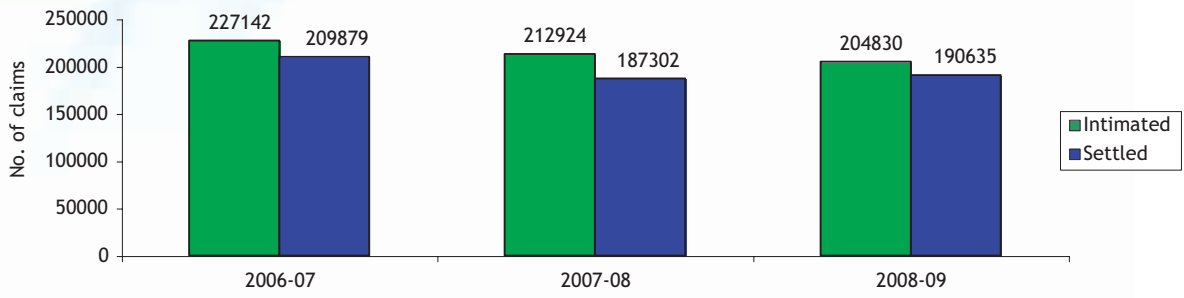
Market Share of Private Players



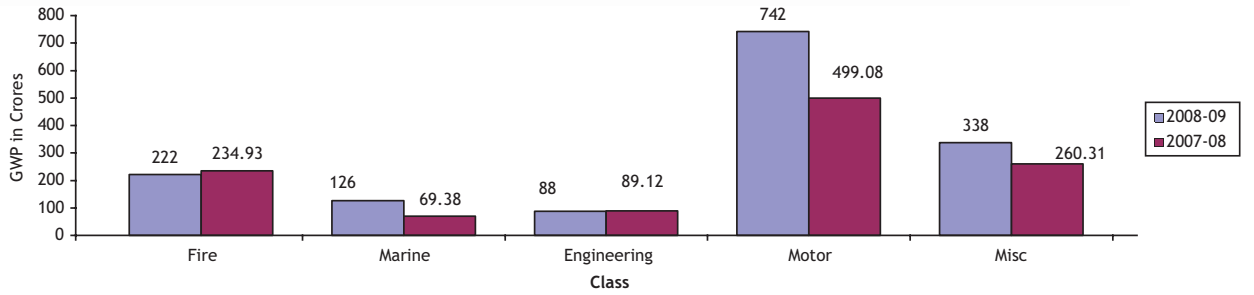
ITGI Share Among Private Insurers



Claim Settlement Trend



Class wise GWP Breakup



7.0. CORPORATE GOVERNANCE

- 7.1. It has been the endeavor 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.

Executive Committee

The Executive Committee comprises of one non Executive Director, Managing Director and Director (Operations) 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.

Investment Committee

In compliance with the provisions of IRDA (Investments) (fourth Amendment) Regulations, 2008 your Board of Directors have reconstituted the Investment Committee which comprises of two Non-Executive Directors , Chief Executive Officer, 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 have also appointed M/s. S.K. Mehta & Co., Chartered Accountants as Concurrent Auditor for auditing the Investment accounts. This firm of Auditors conduct regular audits on monthly basis and audit reports / observations made by them are submitted in every meeting of the Investment Committee for consideration.

Audit Committee

Pursuant to the provisions of Section 292A of the Companies Amendment Act, 2000, your Board of Directors had constituted an Audit Committee. Mr. Surinder Kumar Jakhar an independent Director is the Chairman of the Audit Committee. 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.

During the year four meetings of the Board of Directors, nine meetings of the Executive committee, four meetings of the Audit Committee and three meetings of the Investment Committee were held. All the meetings were well attended.

8.0. CUSTOMER SERVICE

- 8.1. Members would recall that with the objective of providing prompt services to our customers and optimum utilization of resources; your company had set up Customers Service Centers located at Mumbai, Kolkata, Vadodara, Bangalore and New Delhi. 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 2.05 lakh claims during the year and were able to achieve a settlement ratio of 84% on an average. Besides Customers servicing the five Customer Service Centres and the Centralised Claim unit located at Corporate Office also focused on Claims / loss control measures by introducing e-survey and on line technical scrutiny of Motor claims, improved salvage management and utilizing the services of in house surveyors.
- 8.2 In addition to setting up of Centers for servicing of Customers in respect of Claims, your Company has also set up Underwriting Hubs in Mumbai and Delhi. 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, implementation of Customers Relationship Management (CRM) has been initiated which is expected to be completed in phased manner for claim processing, underwriting etc.

9.0 SPREAD OF OPERATIONS

- 9.1. Your Company has expanded its operations in several potential market areas. Members would be happy to know that all the Branches across the country are on line with 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.

10.0 INFORMATION TECHNOLOGY

- 10.1 Your Directors recognize the importance of Technology in the conduct of business and the need for investing in new technology. As in all industries, adapting new technology has become absolute necessity in Insurance Industry to achieve the desired effect. During the year IT infrastructure was strengthened by converting entire wide area network into MPLs – VPN and providing stand by links to major Offices through an alternate service provider. CRM point of sale application was further expanded by providing online facilities to various franchisees to enable them to generate policy documents in respect of Janta Bima, travel and specific voyage package in addition to Motor policies at their respective locations. Your Company has also launched internet portal for online transactions by customers. A contract was entered into with Mondial Assistance to further expand services to the customers pertaining to centralised claim registration, customer service and website support at PAN India level.

10.2 BRAND IMAGE

The Company with a view to improve visibility of its Brand usage revamped its website to make it customer friendly with a number of value added features like on

line buying and selling. The Company celebrated a Micro insurance month during the year to apprise the rural populace about the rural and micro insurance products sold by the Company. With a view to share knowledge with employees of the ITGI a News Letter "SMILES" was launched during the year. The Company also changed its tagline to "MUSKURATE RAHO" to convey the message that the Company endeavours to provide comfort to its customers and assuage their anxieties.

11.0 BUSINESS PLAN 2009-10

11.1. Your Company has achieved GWP of Rs.1515 Crores during the year as against Rs.1495 Crores envisaged in the revised budget. The Company has set a target of Rs.1600 Crores of GWP for the year 2009-10 comprising of Rs.445 Crores of commercial lines and Rs.1155 Crores of retail lines. With the continued adverse impact of detariff and the unsettled market scenario there could be a shift in the product mix i.e. from the Commercial portfolio to Retail portfolio, during the year 2009-10.

11.2. MARKET STRATEGY

Members are kindly aware that detariffication of Property and Motor business has led to steep fall in premiums. The entry of new players has aggravated the price war in the market. Your Company has drawn detailed guidelines for profit oriented underwriting of commercial business after due diligence in respect of risk perception, burning cost analysis and loss minimization measures. Since the Company has set an enhanced target for retail lines, it would endeavor to enter into suitable understanding with various intermediaries, introduce new products, enter into tie up arrangements with dealers, Banks etc. Pursuant to the liberalization of the Insurance market, the threat of premiums being reduced to induce customers and the role of intermediaries playing increasing role in buying and selling of insurance, your Company would take a cautious approach in mobilizing business. Since the emphasis in the Business Plan is to augment retail lines of business, your Company would encourage Cooperative Model, Banc assurance tie ups and agents with proven loyalty to the Distribution channels. Commercial lines of business as far as possible would be solicited directly.

11.3. PRODUCT DEVELOPMENT

Hon'ble 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. During the year the Company has launched an Add on product to Private Car Package Policy. Under this policy the Insured will get road side assistance for himself / his vehicle in the event of accident or breakdown.

11.4 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) To 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.

11.5. 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 Team 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.

11.6. RURAL BUSINESS

Your Company in fulfillment of its commitments to serve the rural masses introduced innovative products during the year under review. The Barish **Bima Yojna product** has been vibrant in eleven states during kharif sowing covering approximately 44,000 farmers. Similarly the **Mausam Bima Yojna** for Rabi sowing has been spread to four states covering approximately 2800 farmers. To cater to security needs on account of personal assets, personal accident, critical illness and agriculture tractors, **Kisan Suvidha Policy** was launched during the year 2007-08. To meet similar requirements of marginal farmers and people in lowly paid economic activities, **Jan Kalyan Policy** was launched earlier. The new products launched during the year include Janta Bima Yojna for the poor and marginal sector of the society, Jan swasthya Bima, a micro insurance group health policy to address the need of community health insurance for the rural and social sector, Jan Suraksha and Mahila Suraksha micro insurance policies to cover the risk of accident to members of various self help groups. **Sankat haran Bima Yojana** which has entered in 8th Year has so far benefited approximately 8,400 beneficiaries with claim disbursement to the tune of Rs. 50.26 Crores.

In order to register ITGI's physical presence in tier III and IV cities and rural areas, ITGI has continued opening of **Bima Kendras** (micro offices, manned by Bima Sahayak). These centers have been instrumental in giving impetus to the co-operative insurance activities and development of rural agency force. As per the regulations notified by IRDA, your Company was required to underwrite 7% of Gross Direct Premium towards Rural business and insure 45,000 lives for compliance with the social sector obligations. The Members would be happy to note that the actual business underwritten in respect of Rural Sector works out to 7.52% of Gross Direct Premium and that the Company had covered 10.68 lakh

lives during the year. The Company places on record its gratitude to IFFCO and its Member Cooperatives who have extended its unstinted support to the Company to enable it to fulfill the mandatory requirement.

12.0. MOBILISATION OF ADDITIONAL CAPITAL

With a view to sustain the growth in business and also to maintain a healthy solvency margin during the 3 year Business plan period 2008-09 to 2010-11 the Promoters have contributed additional equity amounting to Rs. 1,512,000,000 out of which Rs. 1,098,764,800 was contributed by IFFCO, Rs. 20,115,200 by IPL and Rs. 393,120,000 by Tokio Marine Asia.

In order to mobilize additional equity your Board of Directors had approved necessary amendments to the Memorandum of Association for enhancing the Authorised capital from Rs. 250 Crores to Rs. 400 Crores. During the year the Company issued 27,000,000 equity shares at the face value of Rs. 10 per share at a premium of Rs. 46 per share.

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

- 13.1. Members are kindly 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 ITGI 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, 2009 contributed business valuing 555.22 Crores as against Rs.383.06 Crores during the previous year to ITGI and earned a profit before tax of Rs. 27.87 lakhs as against Rs. 40.17 lakhs during the previous year. ITIS has served the semi-urban and Rural segments of India with innovative products of ITGI and serviced several customers. As required under section 212(1) of the Companies Act, 1956, the audited accounts and other particulars of the subsidiary Company are appended.

14.0 HUMAN RESOURCE DEVELOPMENT

- 14.1. Human resource is an invaluable asset of an 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 at all levels, their incentive scheme is linked to their own performance as well as of the Company.
- 14.2. Induction and refresher training schemes covering functional and behavioral areas were conducted during the year and employees at all levels were exposed to various training programmes.

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, 2008 is placed at Annexure –A.

15.0 CONSERVATION OF ENERGY AND TECHNOLOGY

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 EARNING AND OUTGO

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

EARNINGS

Rs.10,585 Lakhs
(Previous year 4923 lakhs)

OUTGO

Rs.11,560 Lakhs
(Previous year Rs. 8,042 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. AUDITORS REPORT

The Report of the Auditors to the Shareholders of the Company is annexed to the financial statements for the year ended 31st March, 2009. There are no specific observations in the report of the Auditors which require clarification.

18.0 BOARD OF DIRECTORS

18.1 CHANGE OF NOMINEE DIRECTOR

During the year TM Asia advised changes in their nominee on the Board of Directors. Mr. Hiroshi Endo was succeeded by Mr. Takashi Yoshikawa as Vice Chairman of the Company w.e.f. 11th August, 2008. Mr. Jun Hemmi was appointed as an Alternate Director to Mr. Takashi Yoshikawa to represent him in the meeting in the event of his inability to attend the same. Mr. Yasunobu Fukuda was nominated as Director (Operations) consequent to return of Mr. Masahiro Ogawa on completion of his assignment. During the year Mr. Chandra Pal Singh ceased to be the Director of the Company from 29th September, 2008.

18.2. Pursuant to Articles 102, 103 and 104 of the Articles of Association of your Company, Mr. K. Srinivasa Gowda, Mr. S.K. Jakhar and Mr. 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 S.P. Chopra & Co, and M/s Raghu Nath Rai & Co. were appointed as Joint Statutory Auditors of your Company for the financial year 2008-09 and they will continue in the office till the conclusion of the ensuing Annual General Meeting. They retire at the ensuing Annual General Meeting of the Company and are eligible for reappointment.
- 19.2. The Company has received communications from M/s S.P. Chopra & Co. and M/s Raghu Nath Rai & Co. confirming their willingness to accept the audit of the Company in the event of their reappointment. and stating that their appointment if made will be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956. 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:**
- That in the preparation of the annual accounts, the applicable accounting standards have been followed and that there has been no material departure.
 - 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 the state of affairs of the Company as at March 31, 2009 and of the profit of the Company for the period ended on that date;
 - 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;
 - 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, 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

Sd/-

Place: New Delhi
Dated: 25th April, 2009

(K. SRINIVASA GOWDA)
Chairman

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, 2009 (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, Loss of the subsidiary Company for the period ended 31st March, 2009 is Rs. 6,33,500. Profit for the previous financial years of the subsidiary since it became holding Company's subsidiary Rs. 48,79,854.
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

Annexure-1

Statement under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 for the year ended 31st March 2009

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	57	MD/CEO	4,421	M Sc. (Maths),AIII	33	5-Oct-01	Relience General Ins. Co. Ltd.
2	10209	Mr. N K Kedia	62	Director (Mktg)	3,640	B.Sc. Engg.(Mech.)	40	1-Apr-01	IFFCO
3	10111	Mr. V S Rao	57	ED (HRD) & CS	2,517	B.Com, M.A, L.L.M, F.C.S, PGDIRM	33	5-Jul-01	Godavari Fertilisers & Chemicals Ltd.
4	10037	Mr. K K Aggarwal	50	EVP & Head, CSC	2,536	B.Com(H), ACA	26	18-Dec-00	The Oriental Ins. Co. Ltd.
5	10108	Mr. Sanjay Seth	48	VP (Claims)	2,439	B.Com,Licentiate	20.8	2-Jul-01	United India Insurance
6	10059	Mr. Parag Gupta	43	VP (Property & Engg.)	2,439	B.E.(Elect), AIII	20.3	23-Apr-01	Loss Prevention Association of India
7	10042	Mr. Sumesh Mahendra	48	VP (Business Process)	2,425	MBA, B.Sc., AIII	23.2	5-Feb-01	United India Insurance

**AUDITOR'S
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, 2009, and also the Revenue accounts, Profit and Loss account and 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, Revenue accounts, Profit and Loss account and Receipts and Payments account referred to in this report are in agreement with the books of account.
 - (e) The actuarial valuations of liabilities in respect of Claims 'Incurred But Not Reported' (IBNR) and Claims 'Incurred But Not Enough Reported' (IBNER) has been duly certified by the Company's appointed actuary and relied upon by us. The appointed actuary has certified to the Company that the assumptions used for such valuation are appropriate and are in accordance with the requirements of the IRDA and Actuarial Society of India.
 - (f) On the basis of the written representations received from the directors, as on March 31, 2009, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2009 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:
 - (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, Revenue accounts, Profit and Loss account and 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.
- (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, 2009;
 - ii. in the case of the Revenue accounts, of the surplus / deficit for the year ended March 31, 2009;
 - iii. in the case of the Profit and Loss account, of the Profit of the Company for the year ended March 31, 2009; 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, 2009.
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, 2009 and there is no apparent mistake or material inconsistency with the financial statements.
 - (b) Based on information and explanations received during the course of our audit and management representation, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration.

For S.P.Chopra & CO.
Chartered Accountants
Per

Sd/-
Pawan K Gupta
Partner
Membership No 92529

For Raghu Nath Rai & CO
Chartered Accountants
Per

Sd/-
Sharat Prakash
Partner
Membership No. 96267

New Delhi
25th April, 2009

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, 2009, we certify that:

- (a) We have verified the cash balances and investments of the Company. As at March 31, 2009, the Company had no secured loans.
- (b) The Company is not a trustee of any trust.
- (c) No part of the assets of the policyholders' funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the policyholders funds.

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

For S.P.Chopra & CO.
Chartered Accountants
Per

Sd/-
Pawan K Gupta
Partner
Membership No 92529

New Delhi
25th April, 2009

For Raghu Nath Rai & CO
Chartered Accountants
Per

Sd/-
Sharat Prakash
Partner
Membership No. 96267

ACCOUNTS

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000



ANNUAL REPORT 2008 - 09

BALANCE SHEET AS AT 31st MARCH, 2009

Rs. in '000

SI No.	Particulars	Schedule		As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)		(4)	(5)
SOURCES OF FUNDS					
	SHARE CAPITAL	5		2,470,000	2,200,000
	RESERVES AND SURPLUS	6		2,106,067	839,040
	FAIR VALUE CHANGE ACCOUNT			-	-
	BORROWINGS	7		-	-
	TOTAL			4,576,067	3,039,040
APPLICATION OF FUNDS					
	INVESTMENTS	8		7,030,491	5,429,694
	LOANS	9		-	-
	FIXED ASSETS	10		132,605	145,757
	CURRENT ASSETS :				
	Cash and Bank Balances	11	3,854,388	-	3,767,627
	Advances and Other Assets	12	4,876,386	-	2,336,358
	Sub-Total (A)		8,730,774		6,103,985
	CURRENT LIABILITIES	13	6,897,587	-	4,774,645
	PROVISIONS	14	4,478,916	-	3,951,451
	Sub-Total (B)		11,376,503		8,726,096
	NET CURRENT ASSETS (C) = (A-B)			(2,645,729)	(2,622,111)
	DEFERRED TAX ASSET (NET)			58,700	85,700
	MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	15		-	-
	Debit Balance in Profit and Loss Account			-	-
	TOTAL			4,576,067	3,039,040

CONTINGENT LIABILITIES

SI No.		As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
1	Partly paid up investments	-	-
2	Claims, other than against policies, not acknowledged as debts by the company	6,786	-
3	Underwriting commitments outstanding (in respect of shares and securities)	-	-
4	Guarantees given by or on behalf of the Company	-	-
5	Statutory demands/liabilities in dispute, not provided for	-	-
6	Reinsurance obligations to the extent not provided for in the accounts	-	-
7	Others	-	-
	Total	6,786	-

Notes to Accounts

16

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

For and on behalf of Board of Directors

As per our Report of even date attached.

S.P. Chopra & Co.
Chartered Accountants
Per

Raghu Nath Rai & Co.
Chartered Accountants
Per

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Pawan K Gupta
Partner
M. No. 92529

Sharat Prakash
Partner
M. No. 96267

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 25th April, 2009

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009*Rs. in '000*

SI No.	Particulars	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	604,890	636,415
2	Profit / Loss on sale / redemption of Investments		2,325	1,655
3	Others : Handling Charges		421	536
	Exchange Gain / (Loss)		(927)	(1,898)
4	Interest, Dividend & Rent-Gross		60,851	44,717
	TOTAL (A)		667,560	681,425
1	Claims Incurred (Net)	2	441,410	422,588
2	Commission	3	(165,421)	(274,212)
3	Operating expenses related to Insurance Business	4	340,150	383,181
	TOTAL (B)		616,139	531,557
	Operating Profit / (Loss) from Fire Business C=(A-B)		51,421	149,868
	APPROPRIATIONS			
	Transfer to Shareholders' Account		51,421	149,868
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves (to be specified)		-	-
	TOTAL (C)		51,421	149,868

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

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

For and on behalf of Board of Directors

As per our Report of even date attached.

S.P. Chopra & Co.
Chartered Accountants
Per

Raghu Nath Rai & Co.
Chartered Accountants
Per

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Pawan K Gupta
Partner
M. No. 92529

Sharat Prakash
Partner
M. No. 96267

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

New Delhi
Dated : 25th April, 2009

V.S. Rao
Company Secretary

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000



MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009

Rs. in '000

SI No.	Particulars	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	445,977	420,685
2	Profit / Loss on sale / redemption of Investments		2,310	1,908
3	Others: Handling Charges		(69)	318
	Exchange Gain / (Loss)		(1,166)	19
4	Interest, Dividend & Rent-Gross		60,454	51,561
	TOTAL (A)		507,506	474,491
1	Claims Incurred (Net)	2	444,842	430,130
2	Commission	3	(46,898)	15,234
3	Operating expenses related to Insurance Business	4	197,965	118,278
4	Premium Deficiency		-	(10,000)
	TOTAL (B)		595,909	553,642
	Operating Profit / (Loss) from Marine Business C = (A-B)		(88,403)	(79,151)
	APPROPRIATIONS			
	Transfer to Shareholders' Account		(88,403)	(79,151)
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves (to be specified)		-	-
	TOTAL (C)		(88,403)	(79,151)

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

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

For and on behalf of Board of Directors

As per our Report of even date attached.

S.P. Chopra & Co.
Chartered Accountants
Per

Raghu Nath Rai & Co.
Chartered Accountants
Per

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Pawan K Gupta
Partner
M. No. 92529

Sharat Prakash
Partner
M. No. 96267

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

New Delhi
Dated : 25th April, 2009

V.S. Rao
Company Secretary

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009*Rs. in '000*

SI No.	Particulars	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	7,278,434	5,339,560
2	Profit / Loss on sale / redemption of Investments		26,902	14,834
3	Others: Handling Charges		(1,323)	(1,245)
	Exchange Gain / (Loss)		1,959	(228)
	(Transfer & Duplicate Fee)		662	694
4	Interest, Dividend & Rent-Gross		704,093	400,900
	TOTAL (A)		8,010,727	5,754,515
1	Claims Incurred (Net)	2	6,063,989	4,194,715
2	Commission	3	180,063	219,459
3	Operating expenses related to Insurance Business	4	1,858,057	1,509,151
	TOTAL (B)		8,102,109	5,923,325
	Operating Profit / (Loss) from Miscellaneous Business C = (A-B)		(91,382)	(168,810)
	APPROPRIATIONS			
	Transfer to Shareholders' Account		(91,382)	(168,810)
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves (to be specified)		-	-
	TOTAL (C)		(91,382)	(168,810)

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.

S.P. Chopra & Co.
Chartered Accountants
Per

Raghu Nath Rai & Co.
Chartered Accountants
Per

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Pawan K Gupta
Partner
M. No. 92529

Sharat Prakash
Partner
M. No. 96267

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

New Delhi
Dated : 25th April, 2009

V.S. Rao
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009

Rs. in '000

SI No.	Particulars	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1	OPERATING PROFIT / (LOSS)			
	(a) Fire Insurance		51,421	149,868
	(b) Marine Insurance		(88,403)	(79,151)
	(c) Miscellaneous Insurance		(91,382)	(168,810)
			(128,364)	(98,093)
2	INCOME FROM INVESTMENTS			
	(a) Interest, Dividend & Rent-Gross		189,895	212,023
	(b) Profit on sale of Investments		7,256	7,845
	Less : Loss on Sale of Investments		-	-
			197,151	219,868
3	OTHERS			
	Miscellaneous Income		4,247	5,115
	TOTAL (A)		73,034	126,890
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		3,738	4,661
	(b) Bad Debts written off		-	-
	(c) Loss on Sale/Scrap of Fixed Assets		102	3,638
	TOTAL (B)		3,840	8,299
	Profit Before Tax		69,194	118,591
	Less : Provision for Taxation			
	Current Tax		7,692	108,500
	Deferred Tax		21,000	(69,700)
	Fringe Benefit Tax		12,100	10,500
	Credit for MAT Entitlement		(7,692)	-
	Less : Short / Excess provision for tax for earlier years			
	Current Tax		5,067	(2,337)
	Deferred Tax		6,000	-
	Profit After Tax		25,027	71,628
	Balance of Profit brought forward from Last Year		537,874	466,246
	Balance available for appropriation		562,901	537,874
	APPROPRIATIONS			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed Final Dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or Other Accounts		-	-
	Balance carried forward to Balance sheet		562,901	537,874
	Basic & Diluted Earnings per Share (Equity Shares of Face Value of Rs 10 each)		0.11	0.33

Notes to Accounts

16

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

For and on behalf of Board of Directors

As per our Report of even date attached.

S.P. Chopra & Co.
Chartered Accountants
Per

Raghu Nath Rai & Co.
Chartered Accountants
Per

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Pawan K Gupta
Partner
M. No. 92529

Sharat Prakash
Partner
M. No. 96267

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

New Delhi
Dated : 25th April, 2009

V.S. Rao
Company Secretary

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

REGISTRATION NO. 106 Dated 4.12.2000

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009

Rs. in '000

	Current Year		Previous Year	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Premium received from policyholders, including advance receipts	16,076,469		13,224,057	
Other receipts	4,247		5,115	
Payments to the re-insurers, net of commissions and claims	(3,188,490)		(1,534,771)	
Payments to co-insurers, net of claims recovery	131,272		(307,918)	
Payments of claims	(9,167,190)		(6,159,192)	
Payments of commission and brokerage	(1,000,359)		(909,237)	
Payments of other operating expenses	(2,531,891)		(2,624,773)	
Preliminary and pre-operative expenses	-		-	
Deposits, advances and staff loans	(15,283)		(73,048)	
Income taxes paid (Net)	(29,846)		(134,810)	
Service tax paid	(986,277)		(347,117)	
Other payments	-		-	
Cash Flows before extraordinary items	(707,348)		1,138,306	
Cash Flow from extraordinary operations	-		-	
Net Cash Flow from operating activities		(707,348)		1,138,306
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of fixed assets	(65,888)		(61,221)	
Proceeds from sale of fixed assets	1,308		841	
Purchases of investments	(2,066,696)		(767,156)	
Loans disbursed	-		-	
Sales of investments	451,444		60,000	
Repayments received	-		-	
Rents/Interests/Dividends received	965,679		708,916	
Investments in money market instruments and in liquid mutual funds (Net)	-		-	
Expenses related to investments	(3,738)		(4,661)	
Net Cash Flow from investing activities		(717,891)		(63,281)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of share capital	1,512,000		-	
Proceeds from borrowing	-		-	
Repayments of borrowing	-		-	
Interest/dividends paid	-		(102,956)	
Net Cash Flow from financing activities		1,512,000		(102,956)
Effect of foreign exchange rates on cash and cash equivalents, net		-		-
Net Increase /(Decrease) in Cash & Cash equivalents		86,761		972,069
Cash equivalents at beginning of Year		3,767,627		2,795,559
Cash equivalents at end of Year		3,854,388		3,767,627

For and on behalf of Board of Directors

As per our Report of even date attached.

S.P. Chopra & Co.
Chartered Accountants
Per

Raghu Nath Rai & Co.
Chartered Accountants
Per

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Pawan K Gupta
Partner
M. No. 92529

Sharat Prakash
Partner
M. No. 96267

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

New Delhi
Dated : 25th April, 2009

V.S. Rao
Company Secretary

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	1,952,768	1,136,964	10,650,850	13,740,582	2,151,697	664,317	8,465,496	11,281,510
Add : Premium on reinsurance accepted	137,297	24,305	1,253,035	1,414,637	196,271	30,213	850,349	1,076,833
	2,090,065	1,161,269	11,903,885	15,155,219	2,347,968	694,530	9,315,845	12,358,343
Less : Premium on reinsurance ceded	1,582,980	729,238	3,986,235	6,298,453	1,622,894	277,546	3,080,409	4,980,849
Net Premium	507,085	432,031	7,917,650	8,856,766	725,074	416,984	6,235,436	7,377,494
Adjustments for changes in Reserve for Unexpired Risks	(97,805)	(13,946)	639,216	527,465	88,659	(3,701)	895,876	980,834
Total Premium Earned (Net)	604,890	445,977	7,278,434	8,329,301	636,415	420,685	5,339,560	6,396,660

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

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

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	817,099	319,865	1,136,964	563,707	100,610	664,317
Add : Premium on reinsurance accepted	7,800	16,505	24,305	5,076	25,137	30,213
	824,899	336,370	1,161,269	568,783	125,747	694,530
Less : Premium on reinsurance ceded	427,156	302,082	729,238	207,006	70,541	277,546
Net Premium	397,743	34,288	432,031	361,777	55,207	416,984
Adjustments for changes in Reserve for Unexpired Risks	6,973	(20,919)	(13,946)	(23,733)	20,032	(3,701)
Total Premium Earned (Net)	390,770	55,207	445,977	385,510	35,175	420,685

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 1B

PREMIUM EARNED (NET)

Rs. in '000

CURRENT YEAR									
Particulars	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	6,832,380	782,830	97,030	97,356	245,783	61,741	1,409,881	1,123,849	10,650,850
Add : Premium on reinsurance accepted	1,143,204	32,605	64,486	2,159	2,482	-	-	8,099	1,253,035
	7,975,584	815,435	161,516	99,515	248,265	61,741	1,409,881	1,131,948	11,903,885
Less : Premium on reinsurance ceded	2,149,218	552,618	101,920	19,364	102,287	29,234	294,641	736,953	3,986,235
Net Premium	5,826,366	262,817	59,596	80,151	145,978	32,507	1,115,240	394,995	7,917,650
Adjustments for changes in Reserve for Unexpired Risks	588,145	(10,793)	19,935	(767)	(156)	2,850	9,747	30,255	639,216
Total Premium Earned (Net)	5,238,221	273,610	39,661	80,918	146,134	29,657	1,105,493	364,740	7,278,434

PREMIUM EARNED (NET)

Rs. in '000

PREVIOUS YEAR									
Particulars	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Premium from direct business written	4,991,890	883,176	57,927	84,171	203,772	50,349	1,140,244	1,053,967	8,465,496
Add : Premium on reinsurance accepted	830,541	8,034	5,535	1,060	534	1,856	-	2,789	850,349
	5,822,431	891,210	63,462	85,231	204,306	52,205	1,140,244	1,056,756	9,315,845
Less : Premium on reinsurance ceded	1,443,789	605,085	53,072	12,662	66,534	25,602	185,849	687,815	3,080,409
Net Premium	4,378,642	286,125	10,389	72,568	137,772	26,604	954,394	368,941	6,235,436
Adjustments for changes in Reserve for Unexpired Risks	584,169	3,465	315	5,721	14,681	3,909	232,071	51,547	895,876
Total Premium Earned (Net)	3,794,474	282,660	10,075	66,848	123,091	22,695	722,323	317,394	5,339,560

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	2,009,324	863,215	5,423,436	8,295,975	1,224,603	786,056	3,784,547	5,795,206
Add: Reinsurance accepted	7,327	19,935	74,469	101,731	226	23,345	2,700	26,271
Less: Reinsurance ceded	1,582,359	476,427	1,392,459	3,451,245	896,790	404,721	969,550	2,271,061
Net Claims Paid	434,292	406,723	4,105,446	4,946,461	328,039	404,680	2,817,697	3,550,416
Add: Claims Outstanding at the end of the year	237,159	291,950	4,825,938	5,355,047	230,041	253,831	2,867,395	3,351,267
Less: Claims Outstanding at the beginning of the year	230,041	253,831	2,867,395	3,351,267	135,492	228,381	1,490,377	1,854,250
Total Claims Incurred	441,410	444,842	6,063,989	6,950,241	422,588	430,130	4,194,715	5,047,433

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

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

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	835,686	27,529	863,215	762,889	23,166	786,056
Add: Reinsurance accepted	4,287	15,648	19,935	1,981	21,365	23,345
Less: Reinsurance ceded	455,804	20,623	476,427	384,590	20,132	404,721
Net Claims Paid	384,169	22,554	406,723	380,280	24,400	404,680
Add: Claims Outstanding at the end of the year	264,055	27,895	291,950	235,618	18,213	253,831
Less: Claims Outstanding at the beginning of the year	235,618	18,213	253,831	199,553	28,827	228,381
Total Claims Incurred	412,606	32,236	444,842	416,345	13,785	430,130

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 2B

CLAIMS INCURRED (NET)

Rs. in '000

CURRENT YEAR									
Particulars	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Claims Paid									
Direct	2,915,020	277,890	631	24,066	169,811	1,376	1,571,425	463,217	5,423,436
Add: Reinsurance accepted	62,458	84	10,384	-	1,082	-	-	461	74,469
Less: Reinsurance ceded	580,552	164,325	113	4,068	49,792	293	288,464	304,852	1,392,459
Net Claims Paid	2,396,926	113,649	10,902	19,998	121,101	1,083	1,282,961	158,826	4,105,446
Add: Claims Outstanding at the end of the year	3,909,648	215,498	26,319	27,009	75,630	35,311	360,372	176,151	4,825,938
Less: Claims Outstanding at the beginning of the year	2,276,997	124,783	-	19,239	68,978	23,471	292,115	61,813	2,867,395
Total Claims Incurred	4,029,577	204,364	37,221	27,768	127,753	12,923	1,351,218	273,164	6,063,989

SCHEDULE – 2B

CLAIMS INCURRED (NET)

Rs. in '000

PREVIOUS YEAR									
Particulars	Motor	Engineering	Aviation	Workmen Compensation	Personal Accident	Public/ Product Liability	Health	Other Miscellaneous	Total Miscellaneous
Claims Paid									
Direct	2,108,635	273,046	-	23,020	155,072	683	890,388	333,703	3,784,547
Add: Reinsurance accepted	-	222	2,478	-	-	-	-	-	2,700
Less: Reinsurance ceded	397,974	191,693	-	4,374	43,391	140	171,699	160,279	969,550
Net Claims Paid	1,710,661	81,575	2,478	18,646	111,681	543	718,689	173,424	2,817,697
Add: Claims Outstanding at the end of the year	2,276,997	124,783	-	19,239	68,978	23,471	292,115	61,813	2,867,395
Less: Claims Outstanding at the beginning of the year	1,090,067	102,378	-	8,444	46,417	7,855	135,756	99,460	1,490,377
Total Claims Incurred	2,897,591	103,980	2,478	29,440	134,241	16,159	875,048	135,777	4,194,715

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	111,130	85,871	714,465	911,466	132,655	59,816	661,419	853,890
TOTAL (A)	111,130	85,871	714,465	911,466	132,655	59,816	661,419	853,890
Add: Re-insurance Accepted	25,380	5,363	162,894	193,637	25,361	6,450	107,868	139,679
Less : Commission on								
Re-insurance ceded	301,931	138,132	697,296	1,137,359	432,228	51,032	549,828	1,033,088
Net Commission	(165,421)	(46,898)	180,063	(32,256)	(274,212)	15,234	219,459	(39,519)

Breakup of the expenses incurred to procure business:

Agents	38,988	28,296	378,649	445,933	38,421	26,335	372,759	437,515
Brokers	51,334	54,419	218,582	324,335	83,920	29,602	188,366	301,888
Corporate Agency	16,854	3,155	107,321	127,330	6,992	3,872	91,405	102,269
Referral	3,954	1	9,913	13,868	3,322	7	8,889	12,218
Others	-	-	-	-	-	-	-	-
TOTAL (B)	111,130	85,871	714,465	911,466	132,655	59,816	661,419	853,890

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

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

SCHEDULE – 3A

COMMISSION

Rs. in '000

Particulars	CURRENT YEAR			PREVIOUS YEAR		
	Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
Commission Paid						
Direct	63,493	22,378	85,871	54,577	5,239	59,816
TOTAL (A)	63,493	22,378	85,871	54,577	5,239	59,816
Add : Re-insurance Accepted	1,650	3,713	5,363	1,190	5,260	6,450
Less : Commission on						
Re-insurance ceded	73,841	64,291	138,132	42,066	8,966	51,032
Net Commission	(8,698)	(38,200)	(46,898)	13,701	1,533	15,234

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

Agents	27,808	488	28,296	23,624	2,711	26,335
Brokers	33,771	20,648	54,419	27,916	1,686	29,602
Corporate Agency	1,913	1,242	3,155	3,030	842	3,872
Referral	1	-	1	7	-	7
Others	-	-	-	-	-	-
TOTAL (B)	63,493	22,378	85,871	54,577	5,239	59,816

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

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	398,250	47,523	2,416	9,413	16,742	5,445	131,627	103,049	714,465
TOTAL (A)	398,250	47,523	2,416	9,413	16,742	5,445	131,627	103,049	714,465
Add : Re-insurance									
Accepted	142,129	4,806	12,318	451	1,009	-	-	2,181	162,894
Less : Commission on									
Re-insurance ceded	337,206	158,719	2,660	4,374	20,547	3,941	64,108	105,741	697,296
Net Commission	203,173	(106,390)	12,074	5,490	(2,796)	1,504	67,519	(511)	180,063

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

Agents	254,817	22,659	1,091	6,494	7,183	2,834	41,766	41,805	378,649
Brokers	73,498	23,351	1,325	2,615	7,806	2,128	67,911	39,948	218,582
Corporate Agency	67,404	1,462	-	260	1,519	442	21,684	14,550	107,321
Referral	2,531	51	-	44	234	41	266	6,746	9,913
Others	-	-	-	-	-	-	-	-	-
TOTAL (B)	398,250	47,523	2,416	9,413	16,742	5,445	131,627	103,049	714,465

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	321,281	54,114	739	7,737	13,999	4,093	142,085	117,370	661,419
TOTAL (A)	321,281	54,114	739	7,737	13,999	4,093	142,085	117,370	661,419
Add : Re-insurance									
Accepted	103,817	1,129	1,077	213	528	593	-	511	107,868
Less : Commission on									
Re-insurance ceded	210,665	171,377	2,002	3,166	13,856	2,718	44,904	101,139	549,828
Net Commission	214,433	(116,134)	(186)	4,784	671	1,968	97,181	16,742	219,459

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

Agents	245,479	18,102	180	5,238	6,310	3,680	36,524	57,247	372,759
Brokers	45,705	34,166	560	2,419	6,121	133	54,430	44,831	188,366
Corporate Agency	27,680	1,723	(1)	58	1,214	275	50,743	9,713	91,405
Referral	2,417	123	-	22	354	5	388	5,579	8,889
Others	-	-	-	-	-	-	-	-	-
TOTAL (B)	321,281	54,114	739	7,737	13,999	4,093	142,085	117,370	661,419

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	61,975	36,084	338,025	436,084	77,029	23,782	303,059	403,870
2 Travel, Conveyance and vehicle running expenses	14,276	8,312	77,866	100,454	16,657	5,143	65,536	87,336
3 Training expenses	2,508	1,460	13,678	17,646	3,715	1,147	14,615	19,477
4 Rent, rates and taxes	17,964	10,459	97,979	126,402	18,043	5,571	70,988	94,602
5 Repairs	7,574	4,410	41,313	53,297	9,072	2,801	35,694	47,567
6 Printing and Stationery	7,997	4,656	43,622	56,275	10,124	3,126	39,832	53,082
7 Communication	8,263	4,811	45,071	58,145	9,535	2,944	37,515	49,994
8 Legal and professional charges	156,566	91,158	853,949	1,101,673	157,002	48,473	617,700	823,175
9 Auditor's fees, expenses etc.								
(a) As Auditor	256	149	1,395	1,800	343	106	1,351	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	18,320	10,667	99,920	128,907	22,483	6,941	88,455	117,879
11 Interest and Bank charges	3,137	1,826	17,107	22,070	2,906	897	11,432	15,235
12 Others:								
Policy Stamps	139	-	3,558	3,697	84	-	1,918	2,002
Information & Technology Expenses	7,591	4,420	41,405	53,416	9,902	3,057	38,959	51,918
Electricity & Water Charges	4,106	2,391	22,394	28,891	4,271	1,319	16,805	22,395
Courtesies & Entertainment	2,154	1,254	11,747	15,155	3,075	949	12,098	16,122
Others	16,249	9,460	88,622	114,331	24,629	7,603	96,889	129,121
Depreciation	11,075	6,448	60,406	77,929	14,311	4,419	56,305	75,035
TOTAL	340,150	197,965	1,858,057	2,396,172	383,181	118,278	1,509,151	2,010,610

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

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

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	25,932	10,152	36,084	20,180	3,602	23,782
2 Travel, Conveyance and vehicle running expenses	5,974	2,338	8,312	4,364	779	5,143
3 Training expenses	1,049	411	1,460	973	174	1,147
4 Rent, rates and taxes	7,517	2,942	10,459	4,727	844	5,571
5 Repairs	3,169	1,241	4,410	2,377	424	2,801
6 Printing and Stationery	3,346	1,310	4,656	2,652	473	3,126
7 Communication	3,458	1,353	4,811	2,498	446	2,944
8 Legal and professional charges	65,512	25,646	91,158	41,132	7,341	48,473
9 Auditor's fees, expenses etc.						
(a) As Auditor	107	42	149	90	16	106
(b) As advisor or in any other capacity in respect of						
Taxation matters	-	-	-	-	-	-
(c) In any other capacity	-	-	-	-	-	-
10 Advertisement and publicity	7,666	3,001	10,667	5,890	1,051	6,941
11 Interest and Bank charges	1,312	514	1,826	761	136	897
12 Others:						
Policy Stamps	-	-	-	-	-	-
Information & Technology Expenses	3,177	1,243	4,420	2,594	463	3,057
Electricity & Water Charges	1,718	673	2,391	1,119	200	1,319
Courtesies & Entertainment	901	353	1,254	806	144	949
Others	6,799	2,661	9,460	6,452	1,152	7,603
Depreciation	4,634	1,814	6,448	3,749	669	4,419
TOTAL	142,271	55,694	197,965	100,365	17,913	118,278

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS SCHEDULE – 4 B 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	216,839	24,845	3,079	3,090	7,800	1,959	44,745	35,668	338,025
2 Travel, Conveyance and vehicle running expenses	49,949	5,723	709	712	1,797	451	10,308	8,217	77,866
3 Training expenses	8,774	1,005	125	125	316	79	1,811	1,443	13,678
4 Rent, rates and taxes	62,852	7,201	893	896	2,261	568	12,970	10,338	97,979
5 Repairs	26,502	3,036	376	378	953	239	5,469	4,360	41,313
6 Printing and Stationery	27,982	3,206	397	399	1,007	253	5,774	4,604	43,622
7 Communication	28,912	3,313	411	412	1,040	261	5,966	4,756	45,071
8 Legal and professional charges	547,798	62,765	7,780	7,806	19,706	4,950	113,040	90,104	853,949
9 Auditor's fees, expenses etc.	-	-	-	-	-	-	-	-	-
(a) As Auditor	895	105	13	13	32	8	184	145	1,395
(b) As advisor or in any other capacity in respect of Taxation matters	-	-	-	-	-	-	-	-	-
(c) In any other capacity	-	-	-	-	-	-	-	-	-
10 Advertisement and publicity	64,099	7,344	910	913	2,306	579	13,227	10,542	99,920
11 Interest and Bank charges	10,974	1,257	156	156	395	99	2,264	1,806	17,107
12 Others:									
Policy Stamps	2,282	262	32	33	82	21	471	375	3,558
Information & Technology Expenses	26,561	3,043	377	378	956	240	5,481	4,369	41,405
Electricity & Water Charges	14,365	1,646	204	205	517	130	2,964	2,363	22,394
Courtesies & Entertainment	7,536	863	107	107	271	68	1,555	1,240	11,747
Others	56,850	6,514	807	810	2,045	514	11,731	9,351	88,622
Depreciation	38,750	4,440	550	552	1,394	350	7,996	6,374	60,406
TOTAL	1,191,920	136,568	16,926	16,985	42,878	10,769	245,956	196,055	1,858,057

SCHEDULE – 4 B 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	178,706	31,617	2,074	3,013	7,295	1,802	40,820	37,731	303,059
2 Travel, Conveyance and vehicle running expenses	38,645	6,837	448	652	1,578	390	8,827	8,159	65,536
3 Training expenses	8,618	1,525	100	145	352	87	1,969	1,820	14,615
4 Rent, rates and taxes	41,860	7,406	486	706	1,709	422	9,562	8,838	70,988
5 Repairs	21,048	3,724	244	355	859	212	4,808	4,444	35,694
6 Printing and Stationery	23,488	4,156	273	396	959	237	5,365	4,959	39,832
7 Communication	22,122	3,914	257	373	903	223	5,053	4,671	37,515
8 Legal and professional charges	364,242	64,443	4,227	6,142	14,869	3,674	83,200	76,905	617,700
9 Auditor's fees, expenses etc.									
(a) As Auditor	796	141	9	13	33	8	182	168	1,351
(b) As advisor or in any other capacity in respect of Taxation matters	-	-	-	-	-	-	-	-	-
Insurance matters	-	-	-	-	-	-	-	-	-
Management Services	-	-	-	-	-	-	-	-	-
(c) In any other capacity	-	-	-	-	-	-	-	-	-
10 Advertisement and publicity	52,160	9,228	605	879	2,129	526	11,914	11,013	88,455
11 Interest and Bank charges	6,741	1,193	78	114	275	68	1,540	1,423	11,432
12 Others:									
Policy Stamps	1,131	200	13	19	46	-	258	250	1,918
Information & Technology Expenses	22,973	4,065	267	387	938	232	5,248	4,851	38,959
Electricity & Water Charges	9,910	1,753	115	167	405	100	2,264	2,092	16,805
Courtesies & Entertainment	7,134	1,262	83	120	291	72	1,630	1,506	12,098
Others	57,133	10,108	663	963	2,332	576	13,050	12,063	96,889
Depreciation	33,202	5,874	385	560	1,355	335	7,584	7,010	56,305
TOTAL	889,909	157,446	10,327	15,004	36,328	8,964	203,274	187,903	1,509,151

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

**SCHEDULE – 5
SHARE CAPITAL**

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
1	Authorised Capital 400000000 (Previous Year 250000000) Equity Shares of Rs 10 each	4,000,000	2,500,000
2	Issued Capital 247000000 (Previous Year 220000000) Equity Shares of Rs 10 each	2,470,000	2,200,000
3	Subscribed Capital 247000000 (Previous Year 220000000) Equity Shares of Rs 10 each	2,470,000	2,200,000
4	Called up Capital 247000000 (Previous Year 220000000) Equity Shares of Rs 10 each 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	2,470,000 - - - - -	2,200,000 - - - - -
	TOTAL	2,470,000	2,200,000

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

	As at 31st March, 2009		As at 31st March, 2008	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
Indian	182780000	74	162800000	74
Foreign	64220000	26	57200000	26
Others	-	-	-	-
TOTAL	247000000	100	220000000	100

**SCHEDULE – 6
RESERVES AND SURPLUS**

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium		
	Opening Balance	300,000	300,000
	Additions during the year	1,242,000	-
	Closing Balance	1,542,000	300,000
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	562,901	537,874
	TOTAL	2,106,067	839,040

**SCHEDULE – 7
BORROWINGS**

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
1	Debentures/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	TOTAL	-	-

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 8 INVESTMENTS

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
	LONG TERM INVESTMENTS		
1	Govt Securities and Govt guaranteed Bonds incl Treasury Bills (Refer Note 1)	3,766,174	3,204,900
2	Other Approved Securities	-	-
3	Other Investments		
	(a) Shares		
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debenturs/Bonds (Housing)	964,473	704,497
	(e) Other Securities		
	(aa) Non Convertible Debentures	300,000	-
	(f) Subsidiaries	5,000	5,000
	(g) Investment Properties - Real Estate	-	-
4	Investment in Infrastructure and Social Sector	1,629,182	1,299,140
5	Other than approved investments	-	-
	SHORT TERM INVESTMENTS		
1	Govt Securities, Govt guaranteed Bonds incl Treasury Bills	-	85,833
2	Other Approved Securities	-	-
3	Other Investments		
	(a) Shares		
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debenturs/Bonds (Housing)	295,662	120,324
	(e) Other Securities	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties - Real Estate	-	-
4	Investment in Infrastructure and Social Sector	70,000	10,000
5	Other than approved investments	-	-
	TOTAL	7,030,491	5,429,694

- Government securities include deposits held under Section 7 of Insurance Act 1938 having book value of Rs 108,939 thousand and market value of Rs 114,164 thousand on date of deposit of securities (Previous year book value Rs 109,495 and market value as on date of deposit Rs.108,916 thousand)
- Aggregate amount of company's investment other than listed equity securities and derivative instruments is Rs 7,025,491 thousand (Previous year Rs 542,694 thousand) Market value of such investments as at 31.03.2009 is Rs. 7,169,593 thousand (Previous year Rs 5,263,704 thousand)

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 9
LOANS

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
(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	Performancewise Classification		
(a)	Loans classified as standard		
	(aa) in India	-	-
	(bb) outside India	-	-
(b)	Non performing loans less provisions		
	(aa) in India	-	-
	(bb) outside India	-	-
	Total	-	-
4	Maturitywise Classification		
(a)	Short Term	-	-
(b)	Long Term	-	-
	TOTAL	-	-

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS
 SCHEDULE – 10
 FIXED ASSETS

Rs. in '000

Particulars	Gross Block				Depreciation			Net Block		
	As at 1st April, 2008	Additions during the year	Sales/ Adjustments during the year	As at 31st March 2009	Upto 1st April, 2008	For the year	On Sales/ adjustments	Upto 31st March 2009	As at 31st March 2009	As at 31st March 2008
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles:										
Computer Software	87,863	-	-	87,863	79,819	5,749	-	85,568	2,295	8,044
Land - Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Property	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	149,658	17,985	-	167,643	104,096	27,532	-	131,628	36,015	45,562
Information Technology Equipment	232,462	43,714	2,686	273,490	170,742	42,472	2,686	210,528	62,962	61,720
Vehicles	3,004	-	-	3,004	743	285	-	1,028	1,976	2,261
Office Equipment	34,311	4,073	326	38,058	7,326	1,891	101	9,116	28,942	26,985
Others	-	-	-	-	-	-	-	-	-	-
TOTAL	507,298	65,772	3,012	570,058	362,726	77,929	2,787	437,868	132,190	144,572
Work in Progress	1,185	415	1,185	415	-	-	-	-	415	1,185
Grand Total	508,483	66,187	4,197	570,473	362,726	77,929	2,787	437,868	132,605	145,757
Previous Year	453,279	61,021	5,817	508,483	289,028	75,035	1,338	362,726	145,757	164,251

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 11

CASH AND BANK BALANCES

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
1	Cash (including cheques, drafts and stamps)	84,325	6,666
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short term (due within 12 months)	3,549,650	3,426,700
	(bb) Others	-	-
	(b) Current Accounts	220,413	334,261
	(c) Others	-	-
3	Money at call & short notice		
	With Banks	-	-
	With Other Institutions	-	-
4	Others	-	-
	TOTAL	3,854,388	3,767,627
	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, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
	ADVANCES		
1	Reserve Deposit with ceding Companies	-	-
2	Application Money for Investments	-	-
3	Prepayments	18,314	16,633
4	Advance to Directors / Officers	-	-
5	Advance Tax Paid and Tax Deducted at source (Net of provision for taxation)	25,895	20,908
6	MAT Credit Entitlement	7,692	-
7	Deposit towards Rent	50,460	36,942
8	Service Tax Recoverable	172,488	6,354
9	Others	74,582	79,821
	TOTAL (A)	349,431	160,658
	OTHER ASSETS		
1	Income accrued on Investments / FDRs	365,016	262,154
2	Outstanding Premiums	152,196	10,721
3	Agents' balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from other entities carrying on insurance business (including reinsurers)	3,980,638	1,880,724
6	Due from Subsidiaries/holding	29,105	22,101
7	Deposit with Reserve Bank of India {Pursuant to section 7 of Insurance Act, 1938}	-	-
8	Others	-	-
	TOTAL (B)	4,526,955	2,175,700
	TOTAL (A+B)	4,876,386	2,336,358

IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 13 CURRENT LIABILITIES

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
1	Agents Balances	102,564	80,666
2	Balances due to other insurance companies (including reinsurers)	332,725	482,413
3	Deposits held on reinsurances ceded	-	-
4	Premiums received in advance	520,637	386,775
5	Unallocated Premium	-	-
6	Sundry Creditors	205,376	216,908
7	Due to subsidiaries/holding company	-	-
8	Claims outstanding	5,355,047	3,351,267
9	Due to Officers / Directors	-	-
10	Deposit Premium	327,446	214,162
11	Employee Benefits	53,792	42,454
	TOTAL	6,897,587	4,774,645

SCHEDULE – 14 PROVISIONS

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
(1)	(2)	(3)	(4)
1	Reserve for Unexpired Risk	4,478,916	3,951,451
2	For taxation (less advance tax paid and taxes deducted at source)	-	-
3	For Proposed Dividends	-	-
4	For Dividend Distribution Tax	-	-
	TOTAL	4,478,916	3,951,451

SCHEDULE – 15 MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)

Rs. in '000

SI No.	Particulars	As at 31st March, 2009	As at 31st March, 2008
1	Discount allowed in issue of shares/debentures	-	-
2	Others	-	-
	TOTAL	-	-

Accounting Policies & Notes on Accounts



Schedule 16: Notes on 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 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.
- 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

- 8.1 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.
- 8.2 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'.

8.3 Investment in subsidiary company is valued at cost less permanent diminution, if any.

8.4 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.

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, Fringe Benefit 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

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 27,841 Thousand (Previous Year Rs. 8,072 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.'000)

Class of Business	In India		Outside India	
	Year ended 31.3.2009	Year ended 31.3.2008	Year ended 31.3.2009	Year ended 31.3.2008
Fire	434,292	328,039	Nil	Nil
Marine	391,075	382,940	15,648	21,740
Miscellaneous	4,095,150	2,815,219	10,296	2,478

4. Age-wise breakup of claims outstanding on Gross basis under various class of business as at 31st March,2009 is as under:

(Rs.'000)

Class of Business	Outstanding for more than 6 months		Other Claims	
	As at 31.3.2009	As at 31.3.2008	As at 31.3.2009	AS at 31.3.2008
Fire	1,185,699	508,454	746,080	1,467,437
Marine	339,190	190,351	261,452	237,517
Miscellaneous	2,828,385	1,305,421	1,723,776	1,225,343

5. Claims settled and remaining unpaid for a period of more than six months as at 31st March, 2009 is NIL (Previous Year Nil).

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

(Rs.'000)

Class of Business	In India		Outside India	
	Year ended 31.3.2009	Year ended 31.3.2008	Year ended 31.3.2009	Year ended 31.3.2008
Fire	462,709	617,484	44,376	107,590
Marine	418,588	389,306	13,443	27,678
Miscellaneous	7,849,426	6,222,497	68,224	12,939

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

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

Class of Business	Risk Retained		Risk Reinsured	
	Year ended 31.3.2009	Year ended 31.3.2008	Year ended 31.3.2009	Year ended 31.3.2008
Fire	24.26%	30.88%	75.74%	69.12%
Marine	37.20%	60.04%	62.80%	39.96%
Miscellaneous	66.51%	66.93%	33.49%	33.07%

(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,2009 and 31st March, 2008 are performing investments.

8. Value of Contracts in relation to Investments for :

(Rs. '000)

	As at 31.3.2009	As at 31.3.2008
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. '000)

Nature of Investment	As at 31.3.2009	As at 31.3.2008
Book Value	108,939	109,495
Market Value as on date of deposit of security	114,164	108,916

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

	Year ended 31.3.2009	Year ended 31.3.2008
Urban areas	92.48%	94.13%
Rural areas	7.52%	5.87%
Social sector	0.04%	0.03%
Gross Premium	Rs. 5,338 thousand	Rs. 3,539 Thousand
Number of lives covered (Estimated)	1,068 thousand	833 Thousand

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

(Rs.'000)

	Year ended 31.3.2009		Year ended 31.3.2008	
	Managing Director	Whole-time Directors	Managing Director	Whole-time Directors
Salaries and Allowances	4,089	5,786	7,227	5,908
Contribution to Provident Fund	237	180	380	67
Contribution to Gratuity Scheme	95	62	180	65
Total	4,421	6,028	7,787	6,040

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

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

(Rs. '000)

Name of the Related Parties	Indian Farmers Fertilisers Coop. Ltd		Tokio Marine Asia Pte Ltd. (formerly (Millea Asia Pte Ltd)		Tokio Marine & Fire Insurance Co Ltd		Tokio Marine Global Re Ltd.		IFFCO-TOKIO Insurance Services Ltd.	
	Promoters with more than 20% Voting rights		Promoters with more than 20% Voting rights		Associate of Promoter with more than 20% Voting rights		Associate of Promoter with more than 20% Voting rights		Subsidiary of the Company with 100% Voting rights	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Description of nature of transactions										
Premium collected from direct business	527267	426467	-	-	-	-	-	-	1593	551
Claims paid on direct basis	328081	174155	-	-	-	-	-	-	916	262
Premium on cessions to re-insurers	-	-	-	-	73003	59943	98909	120597	-	-
Commission earned on premium cessions	-	-	-	-	15793	13200	24290	38874	-	-
Losses recovered from Reinsures	-	-	-	-	102404	55080	127966	77521	-	-
Payment of Rent and other expenses	23357	21509	-	-	-	-	-	-	-	-
Recovery of Expenses	-	-	-	-	-	-	-	-	9802	17124
Payment of										
-Commission	-	-	-	-	-	-	-	-	52447	36874
-Service charges	-	-	-	-	-	-	-	-	253400	194100
Investment in Equity	-	-	-	-	-	-	-	-	5000	5000
Payment of Dividend	-	63920	-	22880	-	-	-	-	-	-
Deposits for insurance Premium	2500	2500	-	-	-	-	-	-	-	-
Amounts payable / (receivable) at the Balance Sheet date	-	-	-	-	(37052)	(29630)	(57392)	(7888)	(29105)	(22101)

Note: Remuneration to Key Management Personnel viz. Managing Director and Other whole time Directors is given in Note No 11.

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

a) Business Segments

(Rs. '000)

	Year ended 31 st March, 2009	Year ended 31 st March, 2008
SEGMENT REVENUE:		
Fire Insurance	2,153,241	2,394,339
Marine Insurance	1,224,033	757,999
Motor Insurance-OD	5,079,898	3,658,138
Motor Insurance-TP	3,421,775	2,459,728
Engineering Insurance	8,42,915	913,218
Workmen Compensation Insurance	107,642	90,435
Personal Accident Insurance	262,942	213,890
Product Liability Insurance	64,720	53,972
Health Insurance	1,520,909	1,196,483
Other Insurance	1,334,080	1,146,410
Investments	197,151	219,868
Total	16,209,306	13,104,480
SEGMENT RESULT: Profit/(Loss)		
Fire Insurance	51,421	149,868
Marine Insurance	(88,403)	(79,151)
Motor Insurance-OD	705,172	745,938
Motor Insurance-TP	(365,534)	(657,963)
Engineering Insurance	66,551	159,377
Workmen Compensation Insurance	38,802	22,823
Personal Accident Insurance	(7,022)	(38,564)
Product Liability Insurance	7,459	(2,630)
Health Insurance	(448,173)	(396,938)
Other Insurance	(88,637)	(853)
Investments	193,413	215,207
Unallocable	4,145	1,477
Total	69,194	118,591
Less Provision for Taxation	44,167	46,963
Profit After Tax	25,027	71,628
SEGMENT ASSETS:		
Fire Insurance	-	-
Marine Insurance	-	-
Motor Insurance	-	-
Engineering Insurance	-	-
Workmen Compensation Insurance	-	-
Personal Accident Insurance	-	-
Product Liability Insurance	-	-
Health Insurance	-	-
Other Insurance	-	-
Investments	10,580,141	8,856,394
Total:	10,580,141	8,856,394
Add: Unallocable Assets	5,372,429	2,908,743
Total	15,952,570	11,765,137

SEGMENT LIABILITIES:		
Fire Insurance	519,649	947,470
Marine Insurance	525,110	500,936
Motor Insurance-OD	3,491,732	1,894,813
Motor Insurance-TP	3,354,801	2,224,346
Engineering Insurance	325,421	245,444
Workmen Compensation Insurance	54,270	47,268
Personal Accident Insurance	146,484	139,989
Product Liability Insurance	84,603	51,640
Health Insurance	854,181	776,176
Other Insurance	998,349	861,412
Investments	-	-
Total:	10,354,600	7,689,493
Add: Unallocable Liabilities	1,021,903	1,036,604
Total	11,376,503	8,726,097
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	-	-
Other Insurance	-	-
Investments	-	-
Total:	-	-
Add: Unallocable Fixed assets	66,187	61,021
Total	66,187	61,021
Amount of expenses included in segment result for depreciation and amortization in respect of assets:		
Fire Insurance	11,075	14,311
Marine Insurance	6,448	4,418
Motor Insurance-OD	26,848	22,938
Motor Insurance-TP	11,901	10,265
Engineering Insurance	4,440	5,874
Workmen Compensation Insurance	552	560
Personal Accident Insurance	1,394	1,355
Product Liability Insurance	350	335
Health Insurance	7,996	7,584
Other Insurance	6,925	7,395
Investments	-	-
Total:	77,929	75,035
Add: Unallocable Expenses	-	-
Total	77,929	75,035

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.

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

(Rs. '000)

Particulars	As at 31.3.2009		As at 31.3.2008	
	Liabilities	Assets	Liabilities	Assets
Depreciation	-	7,256	-	10,396
Expenditure accrued but not deductible for tax purposes, allowable on actual payment	-	15,920	-	14,446
Unexpired Risk reserve provided in excess of limit specified in Income Tax Act.	-	35,524	-	60,858
Total	-	58,700	-	85,700
Net Deferred tax asset	-	58,700	-	85,700

15. The investments as at the year end have not been allocated into Policy Holders and Shareholders as the same are not specifically earmarked separately.

16. No depreciation is allocable to the Profit and Loss Account based on the 'use' of the asset

17. 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 to amongst the members and the pool, the Company's share of revenue and expenses aggregating to a loss of Rs 157,245 thousand have been incorporated under the appropriate heads in the accounts of the year based on the return received from the pool.

18. Based on the advice received from the Terrorism Pool administered by General Insurance Corporation of India, claim liability of Rs 120,000 thousands has been charged to Fire Revenue Accounts being our reinsurance share arising on account of the terrorist attack in Mumbai during the year

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

(i) Amount charged to revenue accounts for cancelable operating lease is Rs 126,401 thousand (Previous year Rs 94,602 thousand).

(ii) Amount recovered/recoverable and appearing in the revenue account in regard to sub leases is Rs 5,911 thousands. (Previous year Rs 10,702 thousand)

20 Additional disclosure required by IRDA are as under:

(Rs. '000)

Particulars	2008-09	2007-08
Outsourcing Expenses(Manpower)	59,558	56,529
Business Development	253,400	194,100
Marketing Support	634,488	407,746

21. Employee Benefits

a. General description of the defined benefit scheme:

Gratuity	Payable on separation @ 15 days pay for each completed year of service to eligible employees who render continuous service of 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. '000)

	Gratuity		Leave Encashment	
	2008-09	2007-08	2008-09	2007-08
Current Service Cost	4,088	3,313	13,477	12,739
Interest cost on benefit obligation	1,267	1,303	4,285	2,305
Expected return on plan assets	(1,539)	(1,434)	-	-
Net actuarial (Gain)/loss recognized in the year	3,139	(650)	(8,993)	1,898
Expenses recognized in the Profit & Loss Account	6,955	2,532	8,769	16,942

ii. The amount recognized in the Balance Sheet

(Rs. '000)

	Gratuity		Leave Encashment	
	2008-09	2007-08	2008-09	2007-08
Present Value of obligation at end of year (i)	(22,775)	(16,683)	(46,837)	(42,454)
Fair Value of Plan assets at end of year (ii)	17,359	18,222	-	-
Difference (ii-i) i.e. Assets/(Liabilities)	(5,416)	1,539	(46,837)	(42,454)
Net Asset/ (liability) recognized in the Balance Sheet	(6,955)	-	(46,837)	(42,454)

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

(Rs.'000)

	Gratuity		Leave Encashment	
	2008-09	2007-08	2008-09	2007-08
Present Value of obligation at beginning of year	16,683	14,839	42,454	32,101
Interest Cost	1,267	1,303	4,285	2,305
Current Service Cost	4,088	3,313	13,477	12,739
Benefit Paid	(2,402)	(2,122)	(4,386)	(6,589)
Net actuarial (Gain)/Loss on obligation	3,139	(650)	(8,993)	1,898
Present value of the defined benefit as at end of year	22,775	16,683	46,837	42,454

iv Changes in the fair value of plan assets:

(Rs.'000)

	Gratuity		Leave Encashment	
	2008-09	2007-08	2008-09	2007-08
Fair value of plan assets at beginning of year	18,222	8,219	-	-
Expected return on plan assets	1,539	1,434	-	-
Contributions by employer	-	10,691	4,386	6,589
Benefit Paid	(2,402)	(2,122)	(4,386)	(6,589)
Actuarial Gain/(Loss) on plan assets	-	-	-	-
Fair value of plan assets at end of year	17,359	18,222	-	-

v. The disclosure above is in respect of the current year and the preceding year. The disclosure in respect of three 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:

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

22. Earnings per Share:-

	2008-09	2007-08
a) Net Profit available for Equity Shareholders (Rs. '000)	Rs. 25,027	Rs. 71,628
b) Weighted Average number of Equity Shares outstanding during the year (No. of Units in Thousand)	228,211	220,000
c) Basic and Diluted Earning per Share (Equity Share of Face Value of Rs. 10/- each)	Rs. 0.11	Rs. 0.33

23. Summary of Financial Statements

(Rs. in lacs)

Particulars	2008-09	2007-08	2006-07	2005-06	2004-05
OPERATING RESULTS					
Gross Premium written	151,552.19	123,583.42	115,220.68	89,604.19	50,128.12
Net Earned Premium					
Income	83,293.01	63,966.60	54,759.94	34,598.46	17,536.61
Premium Deficiency	-	100.00	-	(50.00)	40.00
Income from Investments	8,569.35	5,155.74	3,528.20	2,234.12	1,024.83
Other Income	6.62	6.94	6.70	2.69	6.21
Total Income	91,868.98	69,229.28	58,294.84	36,785.27	18,607.65
Commission	(322.56)	(395.19)	(4,152.43)	(4,010.68)	(4,535.11)
Operating expenses	23,972.78	20,131.05	20,473.07	15,260.18	9,704.81
Claims Increase in unexpired risk reserve and other outgoes	69,502.41	50,474.34	39,859.37	24,435.80	11,922.82
	93,152.64	70,210.20	56,180.01	35,685.30	17,092.52
Operating Profit/(Loss)	(1,283.64)	(980.92)	2,114.83	1,099.97	1,515.13
NON OPERATING RESULT					
Total Income under shareholders account	1,975.58	2,166.83	2,130.92	1,310.01	848.83
Profit /(Loss) before tax	691.94	1,185.91	4,245.75	2,409.98	2,363.96
Provision for tax	441.67	469.63	1,532.54	948.00	892.00
Profit /(Loss) after tax	250.27	716.28	2,713.21	1,461.98	1,471.96
MISCELLANEOUS					
Paid up Equity Capital	22,821.10	22,000.00	22,000.00	22,000.00	10,000.00
Net Worth	45,760.67	30,390.40	29,674.12	27,990.47	12,531.91
Total assets	158,938.70	117,651.37	89,605.86	76,180.39	39,602.27
Yield on total investments	8.92%	8.67%	7.93%	7.36%	7.09%
Earnings per share	0.11	0.33	1.23	0.92	1.47
Book value per share	20.05	13.81	13.49	12.72	12.53
Total dividend	-	-	880.00	880.00	-
Dividend per share	-	-	0.40	0.40	-

24. Performance Ratios:-

Classwise Ratios

Segmentwise Ratios	Fire		Marine		Miscellaneous	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Gross Premium growth rate	0.89	0.79	1.67	0.53	1.28	1.28
Net Retention Ratio	0.24	0.31	0.37	0.60	0.67	0.67
Net Commission Ratio	(0.33)	(0.38)	(0.11)	0.04	0.02	0.04
Underwriting balance ratio	0.10	0.21	(0.20)	(0.19)	(0.01)	(0.03)
Other Ratios for the Company			2008-09		2007-08	
Combined ratio			0.48		0.45	
Expenses of Management to Gross Direct premium ratio			0.16		0.16	
Technical reserves to net premium ratio			1.11		0.99	
Gross Premium to Shareholder funds ratio			3.31		4.07	
Growth rate of shareholder funds			1.51		1.02	
Operating Profit ratio			(0.01)		(0.01)	
Liquid assets to liabilities ratio			0.46		0.66	
Net Earnings ratio			0.00		0.01	
Return on net worth			0.01		0.02	
Reinsurance ratio			0.42		0.40	

25. The Company has not received any information from 'enterprises' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

For and on behalf of Board of Directors

As per our Report of even date attached.

S.P. Chopra & Co.
Chartered Accountants
Per

Raghu Nath Rai & Co.
Chartered Accountants
Per

K. Srinivasa Gowda
Chairman

S. Narayanan
Managing Director

Pawan K Gupta
Partner
M. No. 92529

Sharat Prakash
Partner
M. No. 96267

Rakesh Kapur
Director

Yasunobu Fukuda
Director

M.K. Tandon
Financial Advisor

V.S. Rao
Company Secretary

New Delhi
Dated : 25th April, 2009

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.

5 5 - 1 0 7 6 2 1

State Code 5 5

Balance Sheet Date

3 1

0 3

2 0 0 9

Date

Month

Year

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

Public Issue

 N I L

Rights Issue

 N I L

Bonus Issue

 N I L

Private Placement/others

2 7 0 0

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

Total Liabilities

4 5 7 6 1

Total Assets

4 5 7 6 1

SOURCES OF FUNDS

Paid-up Capital

2 4 7 0 0

Reserves & Surplus

2 1 0 6 1

Secured Loans

 N I L

Unsecured Loans

 N I L

Deferred Tax Liability

 N I L

APPLICATION OF FUNDS

Net Fixed Assets

1 3 2 6

Investments

7 0 3 0 5

Net Current Assets

(2 6 4 5 7)

Miscellaneous Expenditure

 N I L

Accumulated Losses

 N I L

Deferred Tax Assets

5 8 7

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

Turnover

1 5 1 5 5 2

Total Expenditure

2 3 9 9 9

Profit/(Loss) Before Tax

6 9 2

Profit/(Loss) After Tax

2 5 0

Earnings per Share (in Rs.)

. 1 1

V. GENERIC NAMES OF TWO PRINCIPAL PRODUCTS OF COMPANY:

(As per Monetary Terms)

 N A



Management Report

Attached to the Financial Statements for the year ending 31st March, 2009

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, 2010
2. It is confirmed that all the dues payable to the statutory authorities upto 31st March, 2009 were duly paid.
3. The shareholding pattern as on 31st March, 2009 was as under which is in accordance with the statutory requirements:

(Rs. in Crores)

Shareholders	Year ended 31 st March, 2009		Year ended 31 st March, 2008	
	Rs. in Crores	%	Rs. in Crores	%
Indian:				
Indian Farmers Fertilisers Co-op Ltd.	179.42	72.64	159.80	72.64
Indian Potash Ltd	3.36	1.36	3.00	1.36
Sub-Total	182.78	74.00	162.80	74.00
Foreign:				
Tokio Marine Asia Pte., Ltd.	64.22	26.00	57.20	26.00
Total	247.00	100.00	220.00	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. It is confirmed that solvency margins as required under the IRDA Act and Regulations were maintained during the year.
6. It is certified that the value of the assets have been reviewed on the date of the Balance Sheet and that in the opinion of the management, the assets set forth in the Balance Sheet as on 31st March, 2009 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, 2009.
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, 2009 is as under:

No of Claims Outstanding	Year ended 31 st March, 2009			Year ended 31 st March, 2008		
	Fire	Marine	Miscellaneous	Fire	Marine	Miscellaneous
Less than 30 Days	86	447	11,241	58	295	6,530
30 days to 6 months	208	757	12,798	142	480	7,227
6 months to 1 Year	148	315	6,071	99	178	4,281
1 Year to 5 years	130	141	8,024	61	114	4,843
5 Years and above	7	1	44	3	Nil	17
Total	579	1,661	38,178	363	1,067	22,898

(Amount in '000)

Claims Outstanding	Year ended 31 st March, 2009			Year ended 31 st March, 2008		
	Fire	Marine	Miscellaneous	Fire	Marine	Miscellaneous
Less than 30 Days	100,937	50,869	588,837	118,027	50,880	423,658
30 days to 6 months	645,143	210,583	1,134,939	1,349,410	186,637	801,684
6 months to 1 Year	316,982	274,749	1,516,788	4,20,547	86,702	624,669
1 Year to 5 years	862,186	64,391	1,299,750	84,313	103,648	678,493
5 Years and above	6,531	50	11,847	3,594	Nil	2,260
Total	1,931,779	600,642	4,552,161	1,975,891	427,867	2,530,764

10. As at 31st March, 2009, 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	38843	32482
2. Amortized value of securities as at (1)	37661	32593
3. Market Value of securities as at (1)	38948	32748
4. Value of (1) as appearing in the balance sheet	37661	32593

11. The investments held by the company carry maximum liquidity since they are normally traded in the secondary market and have adequate safety in terms of recovery of principal and interest. During the year, the company earned an Investment income of Rs 91.16 Crores (Previous year Rs 73.54 Crores).
12. (a) In preparation of financial statement, the applicable accounting standards, principles and policies have been followed and there is no material departure as compared to previous year.
- (b) The management has adopted accounting policies and followed them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the operating profit/ 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:

				Rs. in Lacs	
S. No.	Name of the Director	Entity in which Director is Interested	Interested as	Year ended 31st March, 2009	Year ended 31st March, 2008
1	Dr U.S Awasthi Mr Rakesh Kapur Mr S.K Jakhar Mr K.S Gowda Mr B.S Vishwanathan	Indian Farmers Fertilisers Cooperative Ltd	Director Director Director Director Director	3514	2596
2	Mr P.S Gahlaut Dr U.S Awasthi	Indian Potash Ltd	Shareholder Director	23	42
3	Mr B.S Vishwanathan	Karnataka State Cooperative Marketing Federation Ltd	Director	10	20
4	Dr U.S Awasthi Mr P.S Gahlaut	Fertiliser Association of India Ltd	Director Member	54	50
5	Mr K.S Gowda Mr C.P Singh (Director upto 29th Sep 2008) Mr P.S Gahlaut Mr Rakesh Kapur	IFFCO-Tokio Insurance Services Ltd	Chairman Director Director Director	3067	2312

For and on behalf of Board of Directors

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 : 25th April, 2009

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 _____

_____ being a member/members of IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED, NEW DELHI hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Eight Annual General Meeting of the Company to be held on Tuesday, the 7th July, 2009 at 4.00 P.M. at IFFCO Sadan, C-1, Distt. Centre, Saket, New Delhi – 110 017 and at any adjournment thereof.

Signed this _____ day of _____ 2009.

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 fixed 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 9th Annual General Meeting of the Company to be held at IFFCO Sadan, C-1, Distt. Centre, Saket, New Delhi 110017 on Tuesday, the 7th July, 2009 at 4.00 P.M.

Ledger Folio No. _____

No. of Shares _____

Name of Shareholder _____

Signature _____

ACCOUNTS OF SUBSIDIARY COMPANY

IFFCO-TOKIO INSURANCE SERVICES LIMITED

IFFCO-TOKIO



NOTICE OF 6TH ANNUAL GENERAL MEETING

TO THE MEMBERS

NOTICE is hereby given that the **SIXTH ANNUAL GENERAL MEETING** of the Members of **IFFCO-TOKIO Insurance Services Limited** will be held on **Tuesday, the 7th July, 2009 at 3 P.M. at its Registered Office** at IFFCO Sadan, C-1 District Center, 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 2008 to 31st March, 2009 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. Veer Pratap Singh Parihar who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

Regd. Office: IFFCO Sadan,
C-1 District Centre, Saket,
New Delhi- 110017.
Dated: 10th June, 2009

By order of the Board

Sd/-
(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.

BOARD OF DIRECTORS

Mr. K. Srinivasa Gowda	Chairman
Dr. Parvinder Singh Gahlaut	Director
Mr. Rakesh Kapur	Director
Mr. S. Narayanan	Director
Mr. Masahiro Ogawa	Director (upto 11 th August, 2008)
Mr. Yasunobu Fukuda	Director (w.e.f. 11 th August, 2008)
Mr. Veer Pratap Singh Parihar	Director
Mr. Nand Kishore Kedia	Director

SENIOR EXECUTIVES

Joydeep Roy	Chief Executive Officer
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AUDITORS

S.K. Mehta & Co.	Chartered Accountants
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BANKERS

Deutsche Bank, New Delhi

REGISTERED OFFICE

IFFCO Sadan
C- 1, District Centre
Saket, New Delhi 110017
Phone No. 011-26510001

CORPORATE OFFICE

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

DIRECTOR'S REPORT



To the Members

- 1.0** Your Directors have pleasure in presenting to you the Sixth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2009 along with the Auditors' Report thereon.

Members will be glad to note that your Company has successfully completed the fifth 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. 27.86 Lakhs against a budgeted estimate of Rs.32.00 Lakhs. During the financial year ended 31st March 2009, your Company had generated a gross written premium of Rs.72.23 Crores for ITGI. Furthermore, your Company serviced a premium valuing Rs.482.98 Crores. The breakup of premium serviced through Lateral Spread Centre, Individual Agency Model, Cooperative Model and Banc assurance Model :-

MODEL	GWP FOR 2008-09 (Rs. in Crores)
LATERAL SPREAD	307.52
BANCASSURANCE	57.18
INDIVIDUAL AGENCY MODEL	71.62
COOPERATIVE MODEL	46.65
TOTAL	482.98

3.0 Dividend

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

4.0 Human Resources, Training and Development

Your Company has 318 employees on its permanent rolls as on 31st March 2009. In addition to the employees on permanent rolls the Company also has 356 Sr. Marketing Executives and Marketing Executives under training as on 31st March 2009. Your Company has utilized the services of 585 Relationship Executives and Customer Care Associates for servicing ITGI customers and tie up arrangements. The Company also had 15 Graduate Trainees on its rolls as on 31st March 2009.

- 4.1 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 500 persons were trained under this initiative. The Gurukul Training facility in Gurgaon was utilized to train 689 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 71 to 96. 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.305.34 Crores for ITGI at an average expenses ratio of 3.67%. The total number of LSCs as of 31st March, 2009 is 96. Members would be pleased to note that 2 of these centers namely Akola and Madurai were upgraded to ITGI offices.
- 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 255 employees and trainees to manage these two models. A total of 3088 (2310 individual agents and 778 co-operative agents) agents have been issued license who have procured a GWP of Rs.118.27 Crores for ITGI during the year 2008-09 collectively under Individual Agency Model and Cooperative Model.
- 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. 551.57 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 four 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 08 to 31st March 09. 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 2009-10 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 2009 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. S.K. Mehta & Co. that if they are re-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. S.K. Mehta & Co. as Statutory Auditors for the financial year 2009-10.

12.0 Board of Directors

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

13.0 Acknowledgement

Your Directors express gratitude to the shareholders, IRDA, 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 and other associated persons of your Company at all levels.

For and on behalf of the
Board of Directors

Sd/-
(K. Srinivasa Gowda)
Chairman

Place: New Delhi
Date: 25th April, 2009

Sudhanshu Gupta & Associates
Company Secretaries
101, Indraprastha Building,
H-58, Vikas Marg, Laxmi Nagar, Delhi-110092
Phone No. 91- II- 43026455,32957604 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, 2009**. 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 **4 (Four) times** respectively on 24th April 2008, 11th August 2008, 18th December 2008 and 20th March 2009 (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 closed Register of members from 22nd September 2008 to 29th September 2008 (both days inclusive) during the financial year;
6. The Annual General Meeting for the financial year ended on 31.03.2008 was held on 29th September 2008 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 under Section 301 of the Act;
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. Appointment of director 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 has obtained approval of Registrar of Companies under Section 166(1) of the Companies Act, 1956 for extension of time for holding annual general meeting 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 thereunder;
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

Sd/-

Proprietor
C.P. No.: 4620

Place: Delhi
Date: 17th Day of April 2009

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, 2009,

S.N.	Form No.	Filed u/s	For	Date of Filing	Whether filed within prescribed time yes/No	If delay in filing whether requisite additional fee paid Yes/No
1.	Form No. 20B	159	29-09-2008	27-11-2008	Yes	NA
2.	Form No. 23AC & 23ACA	220	29-09-2008	31-10-2008	No	Yes
3.	Form No. 66	383A	29-09-2008	25-10-2008	Yes	NA
4.	Form No. 32	303	11-08-2008	01-10-2008	No	Yes
5.	Form No. 32	303	29-09-2008	27-10-2008	Yes	NA
6.	Form No. 61	166(1)		26-08-2008	NA	NA
7.	Form No. 61	166(1)		02-09-2008	NA	NA

AUDITOR'S REPORT

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 2009 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 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 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 2009 and
 - (b) in the case of the Profit and Loss Account of the loss for the year ended on that date.

Place: New Delhi
Dated: 25th April, 2009

For S. K. MEHTA & CO.
CHARTERED ACCOUNTANTS

Sd/-
ROHIT MEHTA
PARTNER
M. No: 91382

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 Rs. 5,00,000 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 31-03-2009 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.
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: 25th April, 2009

For S.K. MEHTA & CO.
CHARTERED ACCOUNTANTS

Sd/-
ROHIT MEHTA
PARTNER
M.No: 91382

ACCOUNTS



IFFCO TOKIO INSURANCE SERVICES LIMITED
Balance Sheet as at 31st March 2009



ANNUAL REPORT 2008 - 09

		<i>Amount in Rs.</i>	
	Schedule No.	As at 31st March, 2009	As at 31st March, 2008
I. SOURCES OF FUNDS			
(1) SHARE CAPITAL	1	5,000,000	5,000,000
(2) RESERVE AND SURPLUS Profit and Loss account		4,246,354	4,879,854
Total		9,246,354	9,879,854
II. APPLICATION OF FUNDS			
(1) Fixed Assets			
Telephone Instruments Gross Block		2,575,813	1,990,000
Less : Accumulated Depreciation		(2,575,813)	(1,990,000)
Net Block		-	-
(2) Deferred Tax Asset		1,925,000	1,550,000
(3) Current Assets & Loans and Advances			
(a) Cash and Bank Balances	2	13,574,160	13,862,838
(b) Other Current Assets	3	75,085,384	52,864,535
		88,659,544	66,727,373
<i>Less:</i>			
Current liabilities and provisions			
(a) Current Liabilities	4	34,938,963	30,417,043
(b) Provisions	5	46,399,228	27,980,477
		81,338,191	58,397,520
Net Current Assets		7,321,354	8,329,854
Total		9,246,354	9,879,854

Notes on Accounts 8

Schedule 1 to 8 form an Integral part of Financial Statements

As per our Report of even date attached.

For IFFCO TOKIO Insurance Services Ltd.

For S K Mehta & Co.
Chartered Accountants

K. Srinivasa Gowda
Chairman

Rohit Mehta
Partner
M.No. 91382

Rakesh Kapur
Director

N.K. Kedia
Director

Yasunobu Fukuda
Director

Joydeep Roy
CEO

New Delhi
Dated : 25th April, 2009

IFFCO TOKIO INSURANCE SERVICES LIMITED
Profit and Loss Account for the year ended 31st March 2009

	Schedule No.	<i>Amount in Rs.</i>	<i>Amount in Rs.</i>
		Current Year	Previous Year
INCOME			
Income from Operations		305,847,349	230,974,236
Other Income		1,163,382	1,777,200
		307,010,731	232,751,436
EXPENDITURE			
Employees Remuneration & Benefits	6	207,400,860	149,137,211
Administration, Operating and Other Expenses	7	95,546,253	78,421,104
Interest & Bank Charges		691,239	879,853
Depreciation		585,813	295,560
		304,224,165	228,733,728
Profit before Tax		2,786,566	4,017,708
Provision for Taxation			
For the year			
- Current Tax		950,000	990,000
- Deferred Tax		(85,000)	260,000
- Fringe Benefit Tax		2,400,000	1,400,000
For earlier year			
- Current Tax		445,066	-
- Deferred Tax		(290,000)	
Profit /(Loss) after Tax		(633,500)	1,367,708
Balance of profit brought forward from last year		4,879,854	3,512,146
Balance Carried Forward to Balance Sheet		4,246,354	4,879,854
Basic and diluated earning per share		(1.27)	2.74
(Equity Shares of face value of Rs.10/- each)			

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

Rohit Mehta
Partner
M.No. 91382

New Delhi
Dated : 25th April, 2009

For IFFCO TOKIO Insurance Services Ltd.

K. Srinivasa Gowda
Chairman

Rakesh Kapur
Director

N.K. Kedia
Director

Yasunobu Fukuda
Director

Joydeep Roy
CEO

IFFCO TOKIO INSURANCE SERVICES LIMITED
Schedules Forming Part of Accounts



	<i>Amount in Rs.</i>	
	As at 31st March, 2009	As at 31st March, 2008
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
Schedule '2' Cash & Bank balances		
Cash in Hand	790,908	597,547
Balance with Scheduled Banks		
- In Current Accounts	2,783,252	3,265,291
- In Fixed Deposits Accounts	10,000,000	10,000,000
	13,574,160	13,862,838
Schedule '3' Other Current Assets		
Advance Income Tax (net of provision)	62,275,701	47,931,895
Rent Deposit	6,351,186	4,249,836
Deposit with IFFCO	3,000,000	-
Interest accrued but not due on FDR's	511,476	352,186
Advance Recoverable in cash or in kind or for value to be received	2,947,021	330,618
	75,085,384	52,864,535
Schedule '4' Current Liabilities		
TDS Payable	2,042,033	2,439,291
Service Tax Payable	-	330,375
Expenses Payable	3,792,232	5,546,526
Due To Holding Company	29,104,698	22,100,851
	34,938,963	30,417,043
Schedule '5' Provisions		
Gratuity	100,102	748,894
Leave Encashment	4,598,121	2,787,003
Leave Travel Concession	3,789,975	1,549,607
Incentive Payable	37,911,030	22,894,973
	46,399,228	27,980,477
Schedule '6' Employees Remuneration & Benefits		
Salary & Allowances	107,827,105	69,610,237
Stipend to Trainees	87,954,510	73,009,992
Gratuity	532,061	349,955
Leave Encashment	2,392,827	2,020,055
Employers Contribution to Provident Fund	2,263,481	1,503,339
Staff Welfare	1,801,794	974,458
Leave Travel Concession	4,334,591	1,481,792
Provident Fund Administration Charges	294,491	187,383
	207,400,860	149,137,211

IFFCO TOKIO INSURANCE SERVICES LIMITED
Schedules Forming Part of Accounts

Amount in Rs.

	Current Year	Previous Year
Schedule '7' Administration, Operating and Other Expenses		
Rent Rates & Taxes	22,026,836	20,643,928
Repair & Maintenance	3,933,867	2,718,046
Communication Expenses	10,040,084	7,747,748
Travelling and Conveyance	16,557,063	12,047,994
Printing and Stationery	5,897,759	3,587,477
Legal & Professional Expenses		
- Outsourcing Exp	22,791,987	20,261,643
- Others	6,030,045	4,388,545
Payment to Auditors		
- Audit Fees	120,000	80,000
- Income Tax matters	35,000	35,000
Insurance Charges	1,403,890	481,284
Electricity & Water Charges	3,715,903	5,328,420
Miscellaneous Expenses	2,993,819	1,101,019
	95,546,253	78,421,104

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, the accounting standards issued by the Institute of Chartered Accountants of India and confirm to the statutory requirements prescribed under the Companies Act, 1956.

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) Fixed Assets and Depreciation

Fixed Assets are stated at cost.

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.

d) Taxation

(i) 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 certainty that the asset will be realized in future.

(ii) Fringe benefit tax is provided on the aggregate amount of fringe benefits determined in accordance with the provisions of the relevant enactments at the specified rate of tax.

e) Provisions

A provision 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.

f) Employees Benefits:

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

ii) 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 are 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 become vested.

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.22,63,481/- (Previous year Rs.15,03,339/-) 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
Discount Rate (Per Annum)	7%	7%
Rate of Increase in compensation level	10%	10%

Summarized position of employees 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

	Leave Encashment / Compensated Absences (Unfunded).	Gratuity (Funded)
Projected Benefit obligation at beginning of year	27,87,003	7,48,894
Current Service Cost	14,04,291	3,64,335
Interest Cost Loss / (Gain)	3,12,035	89,058
Actuarial Loss / (Gain) due to change in assumptions	6,76,501	1,11,020
Benefit Paid	(5,81,709)	-
Projected Benefit Obligation at End of year	45,98,121	13,13,307

b) Amount to be recognized in the Balance sheet Amount in Rupees

	Leave Encashment / Compensated Absences	Gratuity
Projected Benefit Obligation at End of the year	45,98,121	13,13,307
Ending Assets	-	12,13,205
Funded Status assets / (Liability)	(45,98,121)	(1,00,102)
Unrecognized past services cost- non vested benefits	-	-
Liability (-) / Assets (+) recognized in Balance sheet	(45,98,121)	(1,00,102)

c) Expenses recognized in the Profit and Loss Account Amount in Rupees

	Leave Encashment / Compensated Absences	Gratuity
Current Service Cost	14,04,291	3,64,335
Interest Cost	3,12,035	89,058
Expected Return on Plan Asset	-	(32,352)
Net actuarial (gain)/loss to be recognized in year	6,76,501	1,11,020
Income (-)/ Expenses (+) recognized in the statement of Profit & Loss	23,92,827	5,32,061

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 number of shares outstanding for the period as under

Net Loss as per Profit and Loss Account	Rs.6,33,500
Number of Equity Shares	500000
Earning per Share (Basic & Diluted) Per Share of Rs.10/- each	Rs.(-) 1.27 per share

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

Amount in Rs.

Particulars	Liabilities		Assets	
	Current Year	Previous Year	Current Year	Previous Year
Depreciation	-	-	4,73,000	3,65,000
Expenditure Incurred but allowable under Income Tax Act on payment basis	-	-	14,52,000	11,85,000
Total	Nil	Nil	19,25,000	15,50,000

Net Deferred Tax Asset Rs.19,25,000/- (Previous year Rs.15,50,000/-)

- 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. Suraj Mishra, COO (up to 21.11.2008) Sh. Joydeep Roy, CEO (w.e.f. 18.12.2008)	
	Holding Company		Promotor of Holding Company		Key Management Personnel	
Nature of Relation	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Description of transaction						
1. Receipt of commission and service charges	30,58,47,349	23,09,74,236	-	-	-	-
2. Reimbursement of expenses	98,01,985	1,71,23,554	-	-	-	-
3. Employee Remuneration	-	-	-	-	19,10,958	16,25,168
4. Insurance Premium Paid	15,92,581	5,51,725	-	-	-	-
5. Insurance Claims Recd	9,16,269	2,62,307	-	-	-	-
6. Interest earned on fixed deposit receipts	-	-	95,836	-	-	-
7. Amount payable / (recoverable) at the balance sheet date	2,91,04,698	2,21,00,851	-	-	-	-
8. Fixed Deposits held	-	-	30,00,000	-	-	-

- 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 small scale undertakings and there are no 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 2009

- 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

Rohit Mehta
Partner
M.No. 91382

New Delhi
Dated : 25th April, 2009

For and on the behalf of Board of Directors

K. Srinivasa Gowda
Chairman

Rakesh Kapur
Director

N.K. Kedia
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.

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 State Code

5	5
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 Balance Sheet Date

3	1
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0	3
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2	0	0	9
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 Date Month Year

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

Public Issue	Rights Issue																				
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							N	I	L												
							N	I	L												
Bonus Issue	Private Placement																				
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>								N	I	L	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>								N	I	L
							N	I	L												
							N	I	L												

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

Total Liabilities	Total Assets																						
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							9	2	4	6													
							9	2	4	6													

SOURCES OF FUNDS

Paid-up Capital	Reserves & Surplus																						
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							5	0	0	0													
							4	2	4	6													
Secured Loans	Unsecured Loans																						
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>								N	I	L	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>								N	I	L		
							N	I	L														
							N	I	L														

APPLICATION OF FUNDS

Net Fixed Assets	Investments																					
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							N	I	L													
							N	I	L													
Net Current Assets	Miscellaneous Expenditure																					
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							7	3	2	1												
							N	I	L													
Deferred Tax Assets	Accumulated Losses																					
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							1	9	2	5												
							N	I	L													

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

Turnover	Total Expenditure																										
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							3	0	7	0	1	0															
							3	0	4	2	2	4															
Profit/Before Tax	Profit/(Loss) After Tax																										
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>2</td><td>7</td><td>8</td><td>7</td></tr></table>								2	7	8	7	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>(</td><td>6</td><td>3</td><td>3</td><td>)</td></tr></table>								(6	3	3)			
							2	7	8	7																	
							(6	3	3)																
Earnings per Share (in Rs.)	Dividend																										
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>1</td><td>.</td><td>2</td><td>7</td></tr></table>								1	.	2	7	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>								N	I	L					
							1	.	2	7																	
							N	I	L																		

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS SERVICES OF COMPANY:
 (As per Monetary Terms)

 Item Code No. (ITC Code)
 Product Description: Insurance Auxiliary Services



